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<b>State:</b>	District of Columbia	<b>Filing Company:</b>	American Casualty Company of Reading, Pennsylvania
<b>TOI/Sub-TOI:</b>	11.0 Med Mal-Claims Made and Occurrence/11.0013 Nurse - Practitioners		
<b>Product Name:</b>	Healthcare Providers Services Organization Risk Purchasing Group		
<b>Project Name/Number:</b>	Healthcare Providers Services Organization Risk Purchasing Group/19-01979-R		

## Filing at a Glance

Company:	American Casualty Company of Reading, Pennsylvania
Product Name:	Healthcare Providers Services Organization Risk Purchasing Group
State:	District of Columbia
TOI:	11.0 Med Mal-Claims Made and Occurrence
Sub-TOI:	11.0013 Nurse - Practitioners
Filing Type:	Rate
Date Submitted:	11/14/2019
SERFF Tr Num:	CNAC-132155313
SERFF Status:	Submitted to State
State Tr Num:	
State Status:	
Co Tr Num:	19-01979-R
Effective Date	02/01/2020
Requested (New):	
Effective Date	04/12/2020
Requested (Renewal):	
Author(s):	Stephen Ali
Reviewer(s):	
Disposition Date:	
Disposition Status:	
Effective Date (New):	
Effective Date (Renewal):	



**State:** District of Columbia **Filing Company:** American Casualty Company of Reading, Pennsylvania

**TOI/Sub-TOI:** 11.0 Med Mal-Claims Made and Occurrence/11.0013 Nurse - Practitioners

**Product Name:** Healthcare Providers Services Organization Risk Purchasing Group

**Project Name/Number:** Healthcare Providers Services Organization Risk Purchasing Group/19-01979-R

## General Information

Project Name: Healthcare Providers Services Organization Risk Purchasing Group  
Project Number: 19-01979-R  
Reference Organization:  
Reference Title:  
Filing Status Changed: 11/14/2019  
State Status Changed:  
Created By: Stephen Ali  
Corresponding Filing Tracking Number:

Status of Filing in Domicile:  
  
Domicile Status Comments:  
Reference Number:  
Advisory Org. Circular:  
  
Deemer Date:  
Submitted By: Stephen Ali

Filing Description:  
November 14, 2019

RE:American Casualty Company of Reading, PA NAIC No.: 20427 FEIN: 23-0342560  
Healthcare Providers Services Organization Risk Purchasing Group  
Rate Filing  
Filing No.: 19-01979-R

To Whom It May Concern:

The American Casualty Company of Reading, PA submits for your review and approval the attached revised rates for use with our Healthcare Providers Services Organization Program currently on file with your department.

Please refer to the attached Actuarial Memorandum, revised manual pages and applicable filing support for further details regarding the rates included in this submission.

We wish this filing to be applicable to all policies effective for new business on or after 2/1/2020, effective for individual renewal business on or after 4/12/2020 and effective for firm renewal business on or after 6/14/2020.

Sincerely,

Stephen Ali

## Company and Contact

### Filing Contact Information

Ali Stephen, Filings Tech  
125 Broad Street  
7th Floor  
New York, NY 10004

stephen.ali@cna.com  
212-440-7317 [Phone]



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**Filing Company Information**

American Casualty Company of  
Reading, Pennsylvania  
125 Broad Street  
7th Floor  
New York, NY 10004  
(212) 440-3478 ext. [Phone]

CoCode: 20427  
Group Code: 218  
Group Name:  
FEIN Number: 23-0342560

State of Domicile:  
Pennsylvania  
Company Type:  
State ID Number:

**Filing Fees**

Fee Required? No

Retaliatory? No

Fee Explanation:



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## Rate Information

Rate data applies to filing.

<b>Filing Method:</b>	File & Use
<b>Rate Change Type:</b>	Increase
<b>Overall Percentage of Last Rate Revision:</b>	4.000%
<b>Effective Date of Last Rate Revision:</b>	04/01/2019
<b>Filing Method of Last Filing:</b>	File & Use
<b>SERFF Tracking Number of Last Filing:</b>	CNAC-131718002

## Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
American Casualty Company of Reading, Pennsylvania	12.900%	6.850%	\$27,377	60	\$399,844	28.000%	0.000%



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## Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1		Manual	1-19	Replacement	CNAC-131718002	CW Pages 2019 - Clean.pdf
2		State pages	1-3	Replacement	CNAC-131718002	DC State Pages 2019 - Clean.pdf



**COMPANY PAGES FOR  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA**

**I. APPLICATION OF MANUAL RULES**

- A. The rules contained in these pages shall govern the writing of Professional Liability policies for Healthcare Provider specialties described in Section XV below.
- B. The rules, rates, rating plans and forms filed on behalf of the Company and not in conflict herewith, shall govern in all cases not specifically provided for herein.

**II. POLICY TERM**

Policies may be written for a term of one year, and renewed annually thereafter.

**III. PREMIUM COMPUTATION**

- A. Compute the premium at policy inception using the rates and rating plans in effect at that time. At each renewal, compute the premium using the rules, rates and rating plans then in effect.
- B. Prorate the premium when a policy is issued for other than a whole year.
- C. Premiums are calculated as specified for the respective coverage. Premium rounding will be done at each step of the computation process in accordance with the Whole Dollar Rule, as opposed to rounding the final premium.

**IV. FACTORS OR MULTIPLIERS**

Wherever applicable, factors or multipliers are to be applied consecutively and not added together.

**V. WHOLE DOLLAR RULE**

In the event the rating procedure does not result in a whole dollar:

- A. any amount involving \$.50 or over shall be rounded to the next highest whole dollar amount;
- B. any amount involving \$.49 or less shall be rounded down to the next lower whole dollar amount.

**VI. ADDITIONAL PREMIUM CHARGES**

- A. Prorate all changes requiring additional premium.
- B. Apply the rates and rules that were in effect at the inception date of this policy period. After computing the additional premium, charge the amount applicable from the effective date of the change.

**VII. RETURN PREMIUM**

- A. Compute return premium at the rates used to calculate the policy premium at the inception of this policy period.
- B. Compute return premium pro rata and round in accordance with the Whole Dollar Rule when any coverage or exposure is deleted or an amount of insurance is reduced.



**COMPANY PAGES FOR  
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**VIII. DECREASED LIMITS OF LIABILITY**

When lower limits are offered, they will be provided on the following basis:

<b>Limits of Liability</b>	<b>Decreased Limit Factor</b>
\$100,000 / \$300,000	.64
\$100,000 / \$500,000	.65
\$200,000 / \$600,000	.69
\$250,000 / \$750,000	.71
\$200,000 / \$1,000,000	.71
\$500,000 / \$500,000	.76
\$500,000 / \$1,000,000	.79
\$500,000 / \$2,500,000	.83
\$1,000,000 / \$1,000,000	.94
\$1,000,000 / \$2,000,000	.95
\$1,000,000 / \$3,000,000	.96
\$1,000,000 / \$5,000,000	.98

Rates are derived using the standard \$1,000,000 / \$6,000,000 base rates.

**IX. INCREASED LIMITS OF LIABILITY**

When higher limits are offered, they will be provided on the following basis:

<b>Limits of Liability</b>	<b>Increased Limit Factor</b>	<b>Minimum Premium</b>
\$1,000,000 / \$7,000,000	1.02	\$25
\$1,000,000 / \$8,000,000	1.03	\$30
\$2,000,000 / \$4,000,000	1.15	\$40
\$2,000,000 / \$5,000,000	1.17	\$50
\$2,000,000 / \$6,000,000	1.18	\$65
\$2,000,000 / \$7,000,000	1.19	\$75
\$2,000,000 / \$8,000,000	1.20	\$80

Rates are derived using the standard \$1,000,000 / \$6,000,000 base rates.

**X. POLICY CANCELLATIONS**

Return premium will be computed pro-rata in accordance with the Whole Dollar Rule using the rules, rates and rating plans in effect at the inception of this policy period.

**XI. RESTRICTIONS OF COVERAGE OR INCREASED RATE**

Subject to individual state regulations, policies may be issued with special restrictions or at increased premium if:

- A. the insured agrees in writing; and
- B. the policy would not be written otherwise.



**COMPANY PAGES FOR  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
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**XII. EXTENDED REPORTING PERIOD COVERAGE (Claims Made Only)**

If this policy is cancelled or non-renewed and subject to the following provisions, an extension period, for the purpose of reporting a claim, will be provided automatically for 60 days, and may be extended beyond that as governed by the following rules:

- A. The limits of liability may not exceed those afforded under the terminating policy.
- B. Extended Reporting Period Coverage will be available to the named insured shown on the certificate of insurance.
- C. Should the named insured terminate coverage under this policy, and desire Extended Reporting Period Coverage beyond the automatic 60 days, notice must be given to the Company, along with payment of the applicable premium, within 60 days.
- D. Upon termination of coverage under this policy by reason of death, the deceased's unearned premium for this coverage will be waived and Extended Reporting Period Coverage will be granted for no additional charge.
- E. Upon termination of coverage under this policy by reason of disability or retirement by the named insured, Extended Reporting Period Coverage will be granted for no additional charge provided that, during the policy period:
  - 1. total and permanent disability occurs; or
  - 2. the named insured retires during the policy period and:
    - a. is 55 years of age or older and has been insured by this Company for at least 5 years of claims-made coverage; or
    - b. has been insured by us for at least 10 years of claims-made coverage.
- F. The prior acts date of coverage with this Company will determine the years of prior exposure for Extended Reporting Period Coverage.
- G. In the event the policy is canceled, any return premium due the named insured shall be credited toward the premium for Extended Reporting Period Coverage, if the named insured elects this coverage. If any premium is due for the period of time between the earlier of the policy's Prior Acts date or effective date and the termination date, any monies received by the Company from the named insured shall first be applied to the premium owing for the policy and then to the Extended Reporting Period Coverage.
- H. There is no right to any extended reported period coverage if this policy is cancelled for non- payment of premium, non-compliance with any of the terms and condition of this policy or for any misrepresentation or omission in the application for this policy.
- I. Extended Reporting Period Coverage will be granted with the following discounts, subject to the Extended Reporting Provisions of the Policy and the following schedule:

<b>Consecutive Years of Coverage with ACCO</b>	<b>Discount</b>
10	Free
9	90%
8	80%
7	70%
6	60%
5	50%
4	40%
3	30%
2	20%
1	10%



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- J. The factors in the following table shall be applied to the mature claims-made rate in effect at the beginning of the current policy period:

Years of Prior Claims Made Coverage	Installment Factors Years			Prepaid Factors
	1	2	3	
1	.36	.34	.28	.92
2	.58	.55	.39	1.43
3	.67	.55	.59	1.70
4 or more	.84	.55	.59	1.87

**XIII. PRIOR ACTS COVERAGE (Occurrence only)**

The policy may be extended to provide prior acts coverage as follows:

- A. The prior acts period may not exceed the term immediately preceding coverage under this policy during which similar coverage was continuously provided under a claims made policy, nor shall limits of liability exceed those of the claims-made policy or the occurrence policy to which the prior acts endorsement shall be applied.
- B. The premium for Prior Acts Coverage is a one-time only charge payable in advance or over the first three policy years in annual installments, but calculated in advance by applying the applicable factors from the table below to the current rate under this policy for limits of \$1,000,000/6,000,000 per occurrence.
- C. If the limit of liability under this coverage is other than \$1M/6M per occurrence, the premium developed under B above shall be adjusted by the appropriate increased or decreased limits factor.
- D. The premium will be charged annually, but calculated in advance:
  - 1. Determine the current premium under this policy for limits of \$1M/6M per occurrence;
  - 2. Enter the factor for the appropriate Prior Acts Period;
  - 3. Apply factor (s) successively for the desired number of years of Prior Acts;
  - 4. Apply the appropriate Increased/Decreased Limits Factor.

Prior Acts Period	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	Prepaid Factors
1 year prior	.47	.28	.26	0.94
2 years prior	.70	.43	.40	1.42
3 years prior	.81	.44	.46	1.64
4+ years prior	.87	.53	.50	1.76

**XIV. PREMIUM PAYMENT PLAN**

The Company may, at its discretion, offer to the named insured various premium payment options, ranging from monthly to annual payment plans. Some of the premium payment plans may result in a service fee of \$5 per payment.



**COMPANY PAGES FOR  
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**XV. ISO CLASSIFICATION CODES**

<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>I</b>	<b>A</b> Occupational Therapists	80721
	Occupational Therapy Assistant	80721
	Certified Occupational Therapy Assistant	80721
	<b>B</b> Respiratory Care Provider	80717
	Respiratory Therapist	80717
	<b>C</b> Respiratory Therapist Technician/Technologist	80717
	Chiropractic Assistant	80411
	Optometric Technician/Assistant	80944
	Podiatric Assistant	80943
<hr/>		
<b>II</b>	<b>Description</b>	<b>ISO CODE</b>
	Art Therapist	80967
	Dance Therapist	80967
	Music Therapist	80967
	Recreation Therapist	80945
<hr/>		
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>III</b>	<b>A</b> LPN/LVN – Excludes Cosmetic Procedures	80963
	Registered Nurse – Excludes Cosmetic Procedures	80964
	<b>B</b> Dietician	80720
	Nutritionist	80720
	<b>C</b> Bio-medical Technician/Technologist	80719
	Blood Bank Technician/Technologist	80719
	Cardiology Technician/Technologist	80719
	Certified Lab Technician/Technologist	80711
	Certified Medical Assistant	80719
	Clinical Lab Technician/Technologist	80711
	Community Health Assistant	80719
	Community Health Technician/Technologist	80719
	Diagnostic Medical Sonographer	80719
	Dialysis Technician/Technologist	80719
	EEG Technician/Technologist	80719
	EKG Technician/Technologist	80719
	Electrologist	80719
	Histologic Technician/Technologist	80719
	Medical Assistant	80719
	Medical Laboratory Technician/Technologist	80711
	Medical Records Administrator	80711
	Medical Records Technician/Technologist	80719
	Medical Technician	80719
	Medical Technician/Technologist Assistant	80719
	Medical Technologist	80719



**COMPANY PAGES FOR  
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**XV. ISO CLASSIFICATION CODES (continued)**

<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>III C</b>	Mental Retardation Workers	80711
	Nuclear Medical Technician/Technologist	80719
	Phlebotomist	80719
	Radiation Therapist	80713
	Radiology Technician/Technologist	80719
	X-Ray Machine Operator	80713
	Other Level I Technician/Technologist	80711
<b>D</b>	Home Health Aide	80618
<b>E</b>	Clinical Nurse Specialist-No Prescriptive Authority	80965
<b>F</b>	Cardiopulmonary Technician	80711
	Clinical Radiography	80713
	Other Level II Technician/Technologist	80711
	Surgical Technician/Technologist	80129
<b>G</b>	Skin Care Specialist	80711
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>IV A</b>	Pharmacist	59112
	Pharmacy Technician	59112
	Pedorthist	80943
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>V</b>	Circulation Tech	80945
	Perfusionist	80945
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>VI A</b>	Massage Therapist	80718
	Enterostomal Therapist	80945
	Orthopedic Assistant	80943
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>VII A</b>	Athletic Trainer	80945
	Exercise Physiologist	80945
	Fitness Professional	80945
	Health Educator	80711
	Kinesiologist	80945
	Personal Trainer, Certified	80945
	Sports Medicine Instructor	80945
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>VIII A</b>	Paramedic	80723
	Basic / Intermediate Emergency Medical Technician	80723
	Volunteer Emergency Medical Technician	80723



**COMPANY PAGES FOR  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
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**XV. ISO CLASSIFICATION CODES (continued)**

<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>IX A</b>	Physical Therapist	80995
	Rehabilitation Therapist	80995
	Kinesiotherapist	80945
	Sports Medicine Therapist	80945
	Corrective Therapist	80945
<b>B</b>	Physical Therapist Assistant	80995
	Rehabilitation Assistant	80995
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>X</b>	No specialties in this class	
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>XI</b>	<b>Nurse Practitioners/Clinical Nurse Specialists</b>	
	<b>A</b> Adult / Geriatric / Family Planning / Gynecology / Women's Health / Adult Oncology /RN Including Cosmetic Procedures	80965
	<b>B</b> Psychiatric	80965
	<b>C</b> Pediatric / Neonatal / Family Practice / Acute Critical Care,	80965
	<b>D</b> Obstetrics / Gynecology / Perinatal / Acute Care Obstetrics / Cosmetic	80965
	<b>E</b> Nurse Practitioner and Nurse Anesthetist Student	80965
	<b>F</b> Clinical Nurse Specialist - Educator, Consultant, Administrator and Researcher	80965
	<b>G</b> Nurse Anesthetist	80960
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>XII</b>	Audiologists	80716
	Speech Language Pathologist	80716
	Speech Hearing Therapist	80716
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>XIII</b>	Dental Hygienists	80712
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>XIV</b>	Dental Assistants	80712
	Laboratory Aide	80711
	Nurses Aide	80964
	Geriatric Nursing Assistant	80963
	Nursing Assistant	80963
	Physical Therapy Aide	80995
	Other Healthcare Aide (Excluding Home Health Aides)	80711
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>XV</b>	<b>A</b> Social Worker Clinical	80723
	<b>B</b> Psychotherapist / Psychologist	80723
	<b>C</b> Alcohol/Drug Counselor	80723
	Case Manager	72990
	Clinical/Rehabilitation Counselor	80723
	Pastoral Counselor	80723
	School Counselor	80723
	<b>D</b> Marriage/Family Counselor	80723



**COMPANY PAGES FOR  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
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**XV. ISO CLASSIFICATION CODES (continued)**

<b>Class</b>		<b>Description</b>	<b>ISO CODE</b>
<b>XVI</b>	<b>A</b>	Physician Assistant Class 1	80116
		A PA who performs tasks ordinarily reserved for the Physician and who works under the direction and supervision of a licensed physician to assist the physician in the management of patients.	
	<b>B</b>	Physician Assistant Class 2	80116
		A PA who is involved in any of the following: Assisting in surgery (other than observation) Trauma/Emergency room procedures/responsibilities (10 hours or less per week) Prenatal or Postnatal care Assisting in anesthesiology	
	<b>C</b>	Physician Assistant Class 3	80116
		A PA who is involved in any of the following: Orthopedic surgery OB/GYN Surgery Cardiovascular Surgery Thoracic Surgery Trauma/Emergency Room – Greater than 10 hours/week OB including delivery room responsibilities Exposure to Cardiac Catheterization lab Cosmetic Procedures	
	<b>D</b>	Physician Assistant Student	80116
	<b>E</b>	Registered Radiologist Assistant	80116
<b>Class</b>		<b>Description</b>	<b>ISO Code</b>
<b>XVII</b>	<b>A</b>	Acupuncturist	80966
	<b>B</b>	Acupuncturist Student	80966



**COMPANY PAGES FOR  
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**XVI. CALCULATION OF PREMIUM**

- A. The premium for the policy shall be the sum of the applicable charges developed below:
- B. If more than one classification is applicable, the higher rated classification will be used for rating.
- C. The annual occurrence form base rate for each Healthcare Provider is stated on the state rate page.
- D. The annual claims made form rate for each Healthcare Provider shall be determined for Classes I through XVI as follows:
  1. If the Healthcare Provider is just entering practice, or the Healthcare Provider has continuously been insured under an occurrence policy, enter the step rate factor from the table at the year one level.
  2. If the Healthcare Provider has been insured under a claims-made policy, for one or more years immediately preceding the effective date of this coverage, or for reasons acceptable to the Company had been uninsured, the following procedure shall apply:
    - a. determine the number of years in which the Healthcare Provider was covered under such claims-made policy (ies);
    - b. determine the number of years in which the Healthcare Provider was uninsured;
    - c. the sum of years developed in a. and b. shall be the base exposure. Fractional years of six months or more of base exposure shall be rounded to the next higher year; less than six months shall be rounded to the next lower year;
    - d. the sum of years developed in c. above shall be the Years of Prior Exposure. The table is entered at the total prior Years of Exposure, plus one.

The factors in the following table shall be applied to the full time Class I though XVII rate, found on the State Page:

	<b>Step Rate Factors</b>				
<b>Class</b>	Year 1	Year 2	Year 3	Year 4	Year 5
I through XVII	.32	.57	.77	.84	.99

**XVII. SCHEDULE RATING**

When applicable, apply the appropriate debit or credit based upon the following risk characteristics, subject to state specific limitations regarding on Schedule Rating:

	<u>CREDIT</u>	<u>DEBIT</u>
<i>Procedure Mix</i>	0 - 25%	0 - 25%
Applicable to insureds whose procedures or practice specialties are primarily concentrated in areas other than their practice classification and/or specialty.		
<i>Exposure Modification</i>	0 - 25%	0 - 25%
Applicable to those insureds who have an increased or reduced exposure.		
<i>Unusual Risk Characteristics</i>	0 - 25%	0 - 25%
<i>Continuing Education</i>	0 - 25%	0 - 25%
Applicable to insureds who are involved in a CNA approved continuing education program other than risk management programs.		



**COMPANY PAGES FOR  
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AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA**

**XVIII. RULES FOR INDIVIDUALS**

The following rules apply to eligible employed individuals and self-employed non incorporated individuals only:

**A. Coverage**

The following coverage will be provided:

1. Professional Liability including Good Samaritan Liability, Personal Injury Liability and Malplacement Liability on an occurrence or claims-made basis;
2. License Protection including wage loss, travel, food and lodging (up to \$500 per proceeding) and legal defense costs (up to \$150/hour);
3. Defendant Expense Benefit;
4. Deposition Representation;
5. Assault;
6. Medical Payments;
7. First Aid;
8. Damage to Property of Others;
9. Workplace Liability; and
10. Personal Liability.

**B.** The following are the base limits used for premium calculation. Availability of limits by specialty or state may be restricted by underwriting guidelines:

<b>Coverage</b>	<b>Limits of Liability</b>	
Professional Liability	\$ 1,000,000 each claim	\$ 6,000,000 aggregate
Good Samaritan Liability	\$ included in PL limit above	
Personal Injury Liability	\$ included in PL limit above	
Malplacement Liability	\$ included in PL limit above	
Sexual Misconduct	\$ Included in PL limit above subject to \$25,000 aggregate	
License Protection	\$	\$ 25,000 aggregate
Defendant Expense Benefit	\$ 1,000 per day limit	\$ 25,000 aggregate
Deposition Representation	\$	\$ 10,000 aggregate
Assault	\$	\$ 25,000 aggregate
Medical Payments	\$ 25,000 per person	\$ 100,000 aggregate
First Aid	\$	\$ 10,000 aggregate
Damage to Property of Others	\$	\$ 10,000 aggregate
Personal Liability	\$	\$ 1,000,000 aggregate
Information Privacy	\$	\$ 25,000 aggregate
Media Expense	\$	\$ 25,000 aggregate
Workplace Liability	\$ included in PL limit above	



**COMPANY PAGES FOR  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA**

**C. Supplemental Modifications – Individuals**

At no time will the total credit under this section exceed 50% except for 1<sup>st</sup> year New Healthcare Providers as described in Item 1. below.

**1. New Healthcare Providers**

A new Healthcare Provider is defined as a Healthcare Provider who has completed the training in their specialty within the previous thirty-six (36) months, and who is applying for coverage as a non-incorporated individual. For such new providers, a credit will apply as follows:

<b>Training completed:</b>	<b>Credit</b>
up to 12 months	60%
13 to 24 months	40%
25 to 36 months	20%

- a. If application of the credit results in a rate which is less than:
  - i. the student rate approved on the state page; or
  - ii. another specialty for which the Healthcare Provider is covered,then the higher rate will apply without discount.
- b. This credit is not available if the policy is issued as claims made.

**2. Additional Insureds**

Where eligible, additional insured coverage may be added on a shared limit of liability basis. The rate will be 5% of the policy premium each, subject to a minimum premium of \$165 each. Such Additional Insured shall be covered for their vicarious liability only as their interest appears.

**3. Part Time**

Individual Healthcare Provider who works 24 or fewer hours per week may be eligible for a rate reduction of 50% subject to a minimum premium. Physician Assistants will be eligible for a rate reduction of 35% subject to a minimum premium.

- a. When part time rates result in a premium that is less than \$110, the part time base rate will be the lesser of either the individual's full time base rate or \$110.
- b. Part time rate is available to an employed individual who works 24 or fewer hours per week in a self-employed capacity for that individual's self-employed pursuits.
- c. Individual nurse anesthetists who are self-employed and performing their professional services less than 1001 hours annually maybe eligible for a reduced premium.

The credit would be applied as follows:

Up to 500 hours annually in a non-employed capacity	65% credit
Up to 1000 hours annually in a non-employed capacity	50% credit

- d. The part time rate reduction is not available for nurse practitioners and may be further restricted by underwriting guidelines.



**COMPANY PAGES FOR  
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**4. Retirement/Leave**

An Individual Healthcare Provider who is not actively employed as a Healthcare Provider but maintains an active license may be eligible for restricted coverage at a rate reduction of 50%. The reduced rate may be applied retroactively to the first day of retirement/leave, on the condition that the Company is notified within ten (10) days of the retirement/leave. If the company is notified at a later date, the discount may be applied as of the date the Company received the notice. This credit will not apply to firms or self-employed incorporated individuals.

**5. Individual Risk Management Credit**

A credit of up to 10% will be applied to the annual premium applicable to an individual Healthcare Provider who:

- a. attends a CNA approved loss prevention seminar, workshop, or other loss prevention program. Such credit will be applied for a three year period; or
- b. provides evidence of CNA approved; association membership, or achievement of healthcare specialization certification, or attendance at course work during an association or healthcare specialty conference/meeting - each intended to promote enhanced risk management practice and patient safety. Such credit will be eligible for annual application.

**6. Consulting Services Liability**

Consulting Services Liability coverage may be added to the policy on a shared limit basis. The rate will be \$25. Consulting Services Liability provides Errors and Omissions coverage for non-medical incidents while performing Consulting, Educating or Training Services in the Healthcare Provider's area of specialization.

**7. Case Management Services Liability**

Case Management Services Liability coverage may be added to the policy on a shared limit basis. The rate will be \$25. Case Management Services Liability provides Errors and Omissions coverage for non-medical incidents while performing Case Management duties such as assessing and coordinating treatment options, managing a patient's total care to ensure optimum outcome or utilization review.

**8. Damage to Property of Others**

Optional Damage to Property of Others aggregate limit may be increased to \$25,000 for a charge of \$50.00.

**XIX. RULES FOR FIRMS**

The following rules are applicable to Firms. Firms include corporations, partnerships, organizations, sole proprietorship or self-employed incorporated individuals.

**A. Coverage**

The following coverage will be provided to Firms on a shared limit of liability basis:

1. Professional Liability including Good Samaritan Liability, Personal Injury Liability and Malplacement Liability on an occurrence or claims-made basis;
2. License Protection including wage loss, travel, food and lodging (up to \$500 per proceeding) and legal defense costs (up to \$150/hour);
3. Defendant Expense Benefit;
4. Deposition Representation;
5. Assault;
6. Medical Payments;
7. First Aid;
8. Damage to Property of Others



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**B. Limits of Liability**

The following are the base limits used for premium calculation. Availability of limits by specialty or state may be restricted by underwriting guidelines:

<b>Coverage</b>	<b>Limits of Liability</b>	
Professional Liability	\$ 1,000,000 each claim	\$ 6,000,000 aggregate
Good Samaritan Liability	\$ included in PL limit above	
Personal Injury Liability	\$ included in PL limit above	
Malplacement Liability	\$ included in PL limit above	
Sexual Misconduct	\$ Included in PL limit above subject to \$25,000 aggregate	
License Protection	\$	\$ 25,000 aggregate
Defendant Expense Benefit	\$ 1,000 per day limit	\$ 25,000 aggregate
Deposition Representation	\$	\$ 10,000 aggregate
Assault	\$	\$ 25,000 aggregate
Medical Payments	\$ 25,000 per person	\$ 100,000 aggregate
First Aid	\$	\$ 10,000 aggregate
Damage to Property of Others	\$	\$ 10,000 aggregate
Information Privacy		\$ 25,000 aggregate

*General Liability is available as an optional coverage.*

**C. Firm Rates & Policy Minimum**

1. The base rate for each healthcare professional will be the higher of the self-employed rate shown on the State Rate page or \$300 each.
2. The base rate for each aide, technician or assistant will be the higher of the self-employed rate shown on the State Rate page or \$200.
3. The base rate for home healthcare aide will be the self-employed rate shown on the State Rate Page for class III.D.
4. The following minimum premium per policy shall apply to all firms.

Nurse Practitioner Firms of 2 or more	\$2,500
Physical Therapy Firms of 15 or more	\$5,000
Staffing Firms of 6 or more headcount	\$2,500
Home Health Firms of 6 or more headcount	\$2,000
Firms with Sexual Misconduct Increased Sub-limits with 1 headcount	\$1,500
Firms with Sexual Misconduct Increased Sub-limits with headcount more than 1	\$2,500
All other Firms	\$500

**D. Full Time Equivalents (FTE)**

For calculating headcount, where applicable, full time equivalents may be utilized for Firms. Full time is defined as 40 hours a week. The total number of hours per week for each profession will be divided by 40 to determine the number of full time equivalents for that profession.

The full time equivalent rule is subject to minimum policy premium and minimum headcount to FTE ratios.



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**E. Supplemental Modifications - Firms**

**1. Size of Business**

A credit will be given based on the number of Healthcare Providers associated with the business. The following will be applied:

# of providers	Credit
2 - 9	2%
10 - 14	4%
15 or more	5%

**2. Business Loss Prevention Credit**

A credit of 5% will be applied to a firm who maintains a CNA approved loss prevention program, seminar or workshop for its employees. This credit will be applied for a one year period, and will be reviewed annually.

**3. Debits will be added based on the presence of the following:**

Category	Debit
Registry/Staffing	A surcharge of 25% of developed premium before debits/credits will be added to Firms that provide staffing to other facilities, firms or locations.
Background Check	A surcharge of 10% of developed premium before debits/credits will be added to Firms not performing background checks on their employees and independent contractors.
Nursing Home/Assisted Living/LTC	A surcharge of 25% of developed premium before debits/credits will be added to Firms that do more than 50% staffing of Nursing Home Facilities or Assisted Living Centers.
High Tech/Critical Care	A surcharge of 25% of developed premium before debits/credits will be added to Firms performing High Tech (i.e. Trach care, Ventilator care, Chemotherapy, etc.) or Critical Care.
High Exposure Class	A surcharge of 15% of developed premium before debits/credits will be added to Nursing Firms (Class III.A., III.E. & XI.) and Pharmacist Firms (Class IV.A.).

**4. Separate Limits**

Separate Limits are optional. When selected, the following debit structure is applied based upon the corresponding number of employees:

# of ratable employees	Debit
1	10.0%
2 - 9	12.0%
10 - 14	15.5%
15 or more	17.5%



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**5. Orientation Survey Credit**

Participation in the Risk Management Orientation program qualifies a policyholder for a premium credit in the first and second year:

<b>Risk Management Orientation</b>	<b>Credit</b>
Year 1	15%
Year 2	5%
Subsequent Years	0%

Insureds who have previously received premium credits under the Risk Management Orientation Program or Risk Management Programs are not eligible.

**F. General Liability**

- Optional General Liability coverage may be purchased by self-employed incorporated individuals or firms with a \$1,000,000 aggregate limit. The annual rate is stated on the state rate page for the first facility based practice location.
- When a firm has multiple practice locations, and requests General Liability coverage, a \$50 charge per additional practice location will apply.
- When a firm provides home healthcare, staffing or fitness, the annual rate will be 25% of the developed Professional Liability rate, subject to \$150 per policy minimum.
- Other limits are available and associated with the following factors (which are with respect to the \$1M/\$1M rate).

<b>Increased Limit</b>	<b>Increased Limit Factor</b>
\$1,000,000 / \$1,000,000	1.00
\$1,000,000 / \$2,000,000	1.13
\$1,000,000 / \$3,000,000	1.21
\$1,000,000 / \$4,000,000	1.28
\$1,000,000 / \$5,000,000	1.33
\$1,000,000 / \$6,000,000	1.37
\$1,000,000 / \$7,000,000	1.39
\$1,000,000 / \$8,000,000	1.40
\$2,000,000 / \$4,000,000	1.98
\$2,000,000 / \$5,000,000	2.00
\$2,000,000 / \$6,000,000	2.01
\$2,000,000 / \$7,000,000	2.02
\$2,000,000 / \$8,000,000	2.03



**COMPANY PAGES FOR  
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**G. Deductibles**

When deductible options are requested or required, the following credits should be applied to the developed policy premium. When General Liability is offered, the same deductible amount must be provided for both Professional Liability and General Liability.

<b>Amount</b>	<b>Credit</b>
\$0	0%
\$1,000	1%
\$2,500	2.5%
\$5,000	5%
\$10,000	10%
\$15,000	11%
\$20,000	13%
\$25,000	15%

**H. Additional Insured**

Where eligible, additional insured coverage may be added to the policy on a shared limits of liability basis. The rate will be 5% of the policy premium each subject to a minimum premium of \$165 each. Such Additional Insured shall be covered for their vicarious liability only as their interest appears.

**I. Consulting Services Liability**

Consulting Services Liability coverage may be added to the policy on a shared limit basis. The rate will be \$25 for each Consultant. Consulting Services Liability provides Errors and Omissions coverage for non-medical incidents while performing Consulting, Educating or Training Services in the Firm's area of specialization.

**J. Case Management Services Liability**

Case Management Services Liability coverage may be added to the policy on a shared limit basis. The rate will be \$25 for each Case Manager. Case Management Services Liability provides Errors and Omissions coverage for non-medical incidents while performing Case Management duties such as assessing and coordinating treatment options, developing treatment plans or managing a patient's total care.

**K. Medical Director or Administrator Liability**

Medical Director or Administrator coverage may be added to the policy on a Sub-limit basis. The Limit of Liability for this coverage: \$100,000 Each Claim / \$300,000 Aggregate is a sub-limit of the Professional Liability Limit shown on the Certificate of Insurance. The rate for each Medical Director or Administrator will be \$500 or 10% of the base premium, whichever is higher. The Medical Director or Administrator Liability endorsement extends Professional Liability coverage to include Administrative Services provided by a Physician or other Administrator.

**L. Damage to Property of Others**

Optional Damage to Property of Others aggregate limit may be increased to \$25,000 for a charge of \$50.00.



**COMPANY PAGES FOR  
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**M. Media Expense Coverage**

Optional coverage for Medial Expense is available as follows:

<b>Maximum Aggregate Limit of Liability</b>	<b>Premium</b>
\$25,000	\$25
\$50,000	\$100
\$100,000	\$250

**N. Employment Practices Liability – Defense Only**

Optional coverage for EPL Defense Only is available as follows:

<b>Maximum Aggregate Limit of Liability</b>	<b>Premium</b>
\$25,000	\$75

**O. Employment Practices Liability – Indemnity & Defense**

Optional coverage for EPLI is available as follows:

<b>Limit</b>	<b>Solo Firms</b>	<b>2-9 Headcount</b>	<b>10-14 Headcount</b>	<b>15 Headcount</b>	<b>Rate Per Headcount Above 15</b>
\$25,000	\$93	\$192	\$277	\$309	\$16
\$50,000	\$104	\$216	\$312	\$348	\$18
\$75,000	\$117	\$242	\$350	\$390	\$20
\$100,000	\$136	\$281	\$406	\$453	\$23
\$250,000	\$188	\$389	\$562	\$626	\$32
\$500,000	\$222	\$460	\$665	\$741	\$38
\$750,000	\$236	\$488	\$705	\$786	\$40
\$1,000,000	\$249	\$515	\$745	\$830	\$42

**P. Employment Practices Liability – Extended Reporting Period**

Available as follows:

A 0.75 factor will be applied to the EPL rate

**Q. Sexual Misconduct Increased Sub-limits**

<b>Sexual Misconduct Sub-Limit</b>	<b>Endorsement Premium</b>
\$100/\$300K	\$100
\$250/\$750K	\$250
\$500/\$500K	\$500
\$1M/\$1M	\$1,000



**COMPANY PAGES FOR  
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**XX. RULES FOR SCHOOL BLANKET**

The following rules are applicable to the School Blanket Policy for Healthcare Provider Students  
**ISO Code: 80998.**

**A. Coverage**

The following coverage will be provided to School Blanket on a shared limit of liability basis:

1. **Professional Liability** coverage for damages as a result of a claim arising out of a medical incident or personal injury out of the supplying of, or failure to supply services by a student or faculty and advisor of the named insured school; including vicarious liability for the school; includes **Personal Injury Liability**.
2. Grievance Proceedings
3. Defendant Expense Benefit
4. Deposition Representation
5. Assault
6. Medical Payments
7. First Aid
8. Damage to Property of Others

**B. Limits of Liability**

The following are the base limits used for premium calculation. Availability of limits by specialty or state may be restricted by underwriting guidelines:

Coverage	Limits of Liability	
Professional Liability	\$ 1,000,000 each claim	\$ 5,000,000 aggregate
Personal Injury Liability	\$ included in PL limit above	
Grievance Proceedings	\$ 1,000 per proceeding	\$ 10,000 aggregate
Defendant Expense Benefit	\$	\$ 10,000 aggregate
Deposition Representation	\$ 1,000 per incident	\$ 5,000 aggregate
Assault	\$ 1,000 per incident	\$ 25,000 aggregate
Medical Payments	\$ 2,000 per person	\$ 100,000 aggregate
First Aid	\$ 500 per incident	\$ 25,000 aggregate
Damage to Property of Others	\$ 250 per incident	\$ 10,000 aggregate

**C. School Rates & Policy Minimum**

1. Calculations will be made based on the estimated number of students (total annual headcount) in each of the covered curricula at the inception of the policy period.
2. Premium will be collected or returned for additions or deletions if the change modifies the student count by 25% or more when the change occurs during the first six months of the policy term. If the change occurs in the second half of the policy term, the policy will be reconciled at renewal.
3. A \$300 minimum annual premium shall apply to each School Blanket policy.



**COMPANY PAGES FOR  
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**D. Supplemental Modifications – School Blanket**

Modifications developed under the following shall be summed and applied as a single factor, subject to a maximum credit of 25%. Such credits shall apply on a one year basis, and will be subject to annual review.

**1. Claim-Free Credit**

A 10% credit applies if there have been no claims reported to the Company during the past three policy periods and the Company has provided coverage during each of those policy periods.

**2. Longevity Credit**

At the inception of a fourth consecutive policy period, a 5% credit will be granted to a school that has been insured in this program for the three preceding years.

**3. Size of School Modification**

The following credits will be applied based on the number of students covered on the policy:

<b>Number of Students</b>	<b>Credit</b>
500 – 1,000	5%
1,001- 2,499	10%
2,500+	15%

**E. Additional Insured**

Additional insured requests for a landlord, government organization, charity or religious organization may be added to the policy on a shared limit of liability basis for no additional charge. Such additional insured shall be covered for their vicarious liability only as their interest appears.

**F. General Liability**

- a. Optional General Liability coverage may be purchased with a \$1,000,000 aggregate limit.
- b. The annual rate will be 25% of the developed Professional Liability rate, subject to \$150 per policy minimum.
- c. Other limits are available and associated with the following factors (which are with respect to the \$1M/\$1M rate).

<b>Increased Limit</b>	<b>Increased Limit Factor</b>
\$1,000,000 / \$1,000,000	1.00
\$1,000,000 / \$2,000,000	1.13
\$1,000,000 / \$3,000,000	1.21
\$2,000,000 / \$4,000,000	1.98



COMPANY STATE PAGE FOR  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
AMERICAN CASUALTY COMPANY OF READING, PA

I. **STATE ENDORSEMENTS**

- |    |                        |  |
|----|------------------------|--|
| A. | Professional Liability |  |
|    | State Provisions       | G-123846-C08 Mandatory on all policies |
| B. | Student Blanket        |  |
|    | State Provisions       | G-144931-A08 Mandatory on all policies |

II. **AMENDED RULES**

Reserved for future use.



**COMPANY STATE PAGE FOR  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
AMERICAN CASUALTY COMPANY OF READING, PA**

**III. RATES**

A. All rates indicated below are for Professional Liability limits of \$1,000,000 each claim, with a \$6,000,000 annual aggregate.

CLASS		EMPLOYED	SELF-EMPLOYED
I	A	77	242
	B	102	343
	C	72	286
II		102	343
III	A	106	380
	B	102	286
	C	72	200
	D	102	110
	E	106	380
	F	106	380
	G	106	380
IV	A	150	429
	B	93	182
	C	115	323
V		172	343
VI	A	172	200
	B	200	343
VII	A	229	978
	B	172	200
VIII	A	183	263
	B	166	239
	C	86	86
IX	A	164	514
	B	83	234
X		N/A	N/A
XI	A	1,252	1,809
	B	1,766	2,559
	C	2,287	3,305
	D	3,238	4,058
	E	325	N/A
	F	777	1,233
	G	4,232	6,316
XII		90	154
XIII		68	286
XIV		56	200
XV	A	138	330
	B	495	1,045
	C	138	363
	D	138	363
XVI	A	4,983	4,983
	B	6,229	6,229
	C	7,475	7,475
	D	161	N/A
	E	4,530	4,530
XVII	A	804	804
	B	156	N/A



**COMPANY STATE PAGE FOR  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
AMERICAN CASUALTY COMPANY OF READING, PA**

- B. **Student Rates**  
The minimum rate for an individual healthcare student is \$35, except where otherwise specified in class rate schedule III. A.
- C. **General Liability**  
Base General Liability limits of \$1,000,000 for each claim, with a \$1,000,000 annual aggregate may be purchased for \$150 minimum base rate subject to the provisions of rule XIX. F.
- D. **Student Blanket**  
The rate is \$13 per student for all specialties at \$1,000,000/\$5,000,000 limit of liability.
- E. A 30% firm debit may apply.
- F. **Enterprise Privacy Protection**  
Optional coverage for Enterprise Privacy Protection is available as follows:

<b>Maximum Aggregate Limit of Liability</b>	<b>Premium</b>
\$25,000	\$100
\$50,000	\$300
\$100,000	\$600

Each coverage includes:

- Privacy Injury Coverage
- Privacy Regulation Proceeding
- Privacy Event Expense



<b>State:</b>	District of Columbia	<b>Filing Company:</b>	American Casualty Company of Reading, Pennsylvania
<b>TOI/Sub-TOI:</b>	11.0 Med Mal-Claims Made and Occurrence/11.0013 Nurse - Practitioners		
<b>Product Name:</b>	Healthcare Providers Services Organization Risk Purchasing Group		
<b>Project Name/Number:</b>	Healthcare Providers Services Organization Risk Purchasing Group/19-01979-R		

## Supporting Document Schedules

<b>Bypassed - Item:</b>	Consulting Authorization
<b>Bypass Reason:</b>	N/A
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Actuarial Certification (P&C)
<b>Comments:</b>	
<b>Attachment(s):</b>	DC Actuarial Certification.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
<b>Comments:</b>	
<b>Attachment(s):</b>	DC Supporting Actuarial Exhibits 2019.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
<b>Comments:</b>	Criteria read
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Actuarial Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	DC Actuarial Memo 2019.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Compare docs
<b>Comments:</b>	
<b>Attachment(s):</b>	CW Pages 2019 - Markup.pdf DC State Pages 2019 - Marked.pdf
<b>Item Status:</b>	



<b>SERFF Tracking #:</b>	CNAC-132155313	<b>State Tracking #:</b>		<b>Company Tracking #:</b>	19-01979-R
<b>State:</b>	District of Columbia	<b>Filing Company:</b>	American Casualty Company of Reading, Pennsylvania		
<b>TOI/Sub-TOI:</b>	11.0 Med Mal-Claims Made and Occurrence/11.0013 Nurse - Practitioners				
<b>Product Name:</b>	Healthcare Providers Services Organization Risk Purchasing Group				
<b>Project Name/Number:</b>	Healthcare Providers Services Organization Risk Purchasing Group/19-01979-R				
<b>Status Date:</b>					



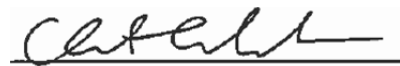
Actuarial Certification (P&C)

A. There is an indicated rate change of +12.9% and proposed rate change of 6.8%

B. Existing rules for the program can be found in documents "CW Pages 2018" and "DC State Pages 2018". Proposed rules for the program can be found in documents "DC State Pages 2019 – Clean" and "CW Pages 2019 – Clean". The estimated impact of these changes is a rate impact of +6.8% on the program.

Date: 11/14/19

Name & Signature:

A handwritten signature in black ink, appearing to read "C Andersen", is written over a solid black horizontal line.

Christopher Andersen, FCAS



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION**

**EXHIBIT OUTLINE**

Exhibit

- |       |  |
|-------|--|
| 1     | District Of Columbia Selected Loss & ALAE Ratio                  |
| 2     | Countrywide Selected Loss & ALAE Ratio                           |
| 3     | Permissible Loss Ratio   |
| 4     | District Of Columbia & Countrywide Selected Ultimate Claims      |
| 5     | Countrywide Count Development Factors                            |
| 6     | District Of Columbia & Countrywide Summary of Loss & ALAE        |
| 7     | District Of Columbia & Countrywide Selected Ultimate Loss & ALAE |
| 8     | Countrywide Loss & ALAE Development Factors                      |
| 9     | Severity & Frequency Trends                                      |
| 10    | District Of Columbia Credibility Analysis                        |
| 11    | Reserved for Future Use  |
| 12    | District Of Columbia Expense Exhibit                             |
| 13    | Countrywide Investment Income Adjustment                         |
| 14    | District Of Columbia Determination of Profit Load                |
| App A | Rate Impacts and Class Change Justification                      |



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION**

Exhibit 1-A

**SELECTED LOSS & ALAE RATIO  
DISTRICT OF COLUMBIA**

Accident Year	Earned Premium	On-Level Factor	On-Level Premium	Selected Ultimate Loss & ALAE	Selected Trend Factor	Trended Loss & ALAE	Projected Loss & ALAE Ratio
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
2013	310,944	1.285	399,428	66,449	1.346	89,416	22.4%
2014	299,588	1.190	356,364	24,022	1.293	31,070	8.7%
2015	312,086	1.099	342,881	342,532	1.243	425,839	124.2%
2016	354,982	1.085	385,129	97,507	1.195	116,517	30.3%
2017	359,046	1.054	378,288	140,619	1.149	161,513	42.7%
2018	378,472	1.030	389,994	398,728	1.104	440,202	112.9%
2013-2018	2,015,118		2,252,084	1,069,857		1,264,557	56.2%

Selected: 56.2%

- (2) = (3) / (1)
- (4) See Exhibit 7 Page 1
- (5) 4% annual trend selected
- (6) = (4) \* (5)
- (7) = (6) / (3)



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION**

Exhibit 2-A

**SELECTED LOSS & ALAE RATIO  
COUNTRYWIDE**

Accident Year	Earned Premium	On-Level Factor	On-Level Premium	Selected Ultimate Loss & ALAE	Selected Trend Factor	Trended Loss & ALAE	Projected Loss & ALAE Ratio
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
2013	167,722,321	1.196	200,577,565	87,119,278	1.346	117,229,948	58.4%
2014	173,851,848	1.136	197,462,680	76,827,084	1.293	99,368,503	50.3%
2015	181,692,521	1.075	195,353,697	79,638,325	1.243	99,007,161	50.7%
2016	187,878,667	1.054	198,039,012	84,908,467	1.195	101,462,506	51.2%
2017	192,422,867	1.038	199,810,194	95,252,841	1.149	109,406,371	54.8%
2018	195,114,250	1.034	201,716,518	104,948,967	1.104	115,865,180	57.4%
2013-2018	1,098,682,474		1,192,959,666	528,694,961		642,339,668	53.8%

(8) District Of Columbia Selected Loss Ratio 56.2%

(9) Countrywide Selected Loss Ratio 53.8%

(10) Permissible Loss Ratio, after  
adjusting for Investment Income 47.9%

(11) Credibility 12.4%

(12) Credibility Weighted Projected Loss Ratio 54.1%

(13) Rate Indication 12.9%

(14) **Selected Rate Change 6.8%**

(2) = (3) / (1)

(4) See Exhibit 7 Page 1

(5) 4% annual trend selected

(6) = (4) \* (5)

(7) = (6) / (3)

(8) See Exhibit 1

(10) See Exhibit 3

(11) See Exhibit 10

(12) = (8) \* (11) + (9) \* (1 - (11))

(13) = (12) / (10) - 1



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION**

Exhibit 3

**PERMISSIBLE LOSS RATIO**

(1)	Commission Ratio	37.3%
(2)	Taxes, Licences, and Fees Ratio	2.4%
(3)	Other Acquisition Ratio	2.6%
(4)	General Expenses Ratio	2.5%
(5)	Unallocated Loss Adjustment Expenses Ratio	2.7%
(6)	Profit Load	4.6%
(7)	Total	52.1%
(8)	Permissible Loss Ratio, after adjusting for Investment Income	47.9%

Notes:

- (1) - (5) See Exhibit 12
- (6) See Exhibit 14-A
- (7) = Sum (1) through (6)
- (8) = 1.0 - (7)



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION**

Exhibit 4-A

**SELECTED ULTIMATE CLAIMS**

**DISTRICT OF COLUMBIA**

Accident Year	Exposure OLEP in millions	Incurred + Paid ALAE Counts	Selected Count Devel. Factor	Selected Ultimate Counts	Selected Frequency
	(1)	(2)	(3)	(4)	(5)
2013	0.4	3	1.019	3	7.6515
2014	0.4	2	1.035	2	5.8096
2015	0.3	2	1.065	2	6.2136
2016	0.4	1	1.141	1	2.9631
2017	0.4	1	1.383	1	3.6561
2018	0.4	5	2.071	7	17.4138
2013-2018	2	14		17	7.3588

**COUNTRYWIDE**

Accident Year	Exposure OLEP in millions	Incurred + Paid ALAE Counts	Selected Count Devel. Factor	Selected Ultimate Counts	Selected Frequency
	(1)	(2)	(3)	(4)	(5)
2013	200.6	1,534	1.019	1,563	7.7913
2014	197.5	1,609	1.035	1,666	8.4350
2015	195.4	1,444	1.065	1,538	7.8742
2016	198.0	1,406	1.141	1,604	8.1018
2017	199.8	1,250	1.383	1,729	8.6523
2018	201.7	1,168	2.071	1,792	8.8814
2013-2018	1,193	8,411		9,891	8.2915

(3) See Exhibit 5

(4) = (2) \* (3)

(5) = (4) / (1)



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
AS OF 06/2019  
BASED ON ACCIDENT YEAR**

**COUNTS ANALYSIS**

Accident Year	COUNT DEVELOPMENT FACTORS: INCURRED + PAID ALAE COUNTS											
	Month											
	6	18	30	42	54	66	78	90	102	114	126	138
2008	246	744	1,012	1,221	1,346	1,456	1,452	1,467	1,472	1,476	1,477	1,480
2009	199	592	971	1,197	1,290	1,328	1,355	1,357	1,363	1,367	1,371	
2010	185	634	1,032	1,332	1,440	1,469	1,489	1,510	1,515	1,517		
2011	192	619	1,035	1,320	1,437	1,465	1,493	1,507	1,522			
2012	208	773	1,100	1,393	1,503	1,543	1,574	1,569				
2013	232	712	1,088	1,381	1,472	1,520	1,534					
2014	229	761	1,197	1,450	1,565	1,609						
2015	213	721	1,114	1,352	1,444							
2016	260	774	1,161	1,406								
2017	244	859	1,250									
2018	360	1,168										
2019	332											
2008	3.024	1.360	1.207	1.102	1.082	0.997	1.010	1.003	1.003	1.001	1.002	
2009	2.975	1.640	1.233	1.078	1.029	1.020	1.001	1.004	1.003	1.003		
2010	3.427	1.628	1.291	1.081	1.020	1.014	1.014	1.003	1.001			
2011	3.224	1.672	1.275	1.089	1.019	1.019	1.009	1.010				
2012	3.716	1.423	1.266	1.079	1.027	1.020	0.997					
2013	3.069	1.528	1.269	1.066	1.033	1.009						
2014	3.323	1.573	1.211	1.079	1.028							
2015	3.385	1.545	1.214	1.068								
2016	2.977	1.500	1.211									
2017	3.520	1.455										
2018	3.244											
Average	3.262	1.532	1.242	1.080	1.034	1.013	1.006	1.005	1.002	1.002	1.002	
3 - Yr Avg	3.247	1.500	1.212	1.071	1.029	1.016	1.007	1.006	1.002	1.002	1.002	
5 - Yr Avg	3.290	1.520	1.234	1.076	1.025	1.016	1.006	1.005	1.002	1.002	1.002	
Wtd Avg	3.254	1.525	1.241	1.080	1.034	1.013	1.006	1.005	1.002	1.002	1.002	
3 - Yr Wtd	3.242	1.497	1.212	1.071	1.029	1.016	1.007	1.006	1.002	1.002	1.002	
5 - Yr Wtd	3.279	1.518	1.234	1.076	1.025	1.016	1.006	1.005	1.002	1.002	1.002	
5 - Yr x hi/lo	3.318	1.524	1.230	1.075	1.025	1.526	3.021	2.008	1.003	1.002	1.002	
Selected	3.242	1.497	1.212	1.071	1.029	1.016	1.007	1.006	1.002	1.002	1.002	1.000
Cumulative	6.714	2.071	1.383	1.141	1.065	1.035	1.019	1.012	1.006	1.004	1.002	1.000



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION**

Exhibit 6-A

**SUMMARY OF LOSS & ALAE**

**DISTRICT OF COLUMBIA**

Accident Year	Incurred Loss & ALAE	Loss & ALAE Reserves	Loss & ALAE IBNR	Selected Ultimate Loss & ALAE
	(1)	(2)	(3)	(4)
2013	50,055	0	16,394	66,449
2014	5,967	0	18,055	24,022
2015	251,500	0	91,032	342,532
2016	7,000	0	90,507	97,507
2017	4,089	0	136,530	140,619
2018	406,982	400,003	406,982	398,728
2013-2018	725,592	400,003	759,500	1,069,857

**COUNTRYWIDE**

Accident Year	Incurred Loss & ALAE	Loss & ALAE Reserves	Loss & ALAE IBNR	Selected Ultimate Loss & ALAE
	(1)	(2)	(3)	(4)
2013	79,520,203	10,786,255	79,520,203	87,119,278
2014	64,597,699	11,953,555	64,597,699	76,827,084
2015	62,540,213	19,187,455	62,540,213	79,638,325
2016	46,729,288	19,445,466	46,729,288	84,908,467
2017	27,770,560	11,376,108	27,770,560	95,252,841
2018	8,824,162	5,454,517	8,824,162	104,948,967
2013-2018	289,982,125	78,203,356	289,982,125	528,694,961

(4) See Exhibit 7 Page 1



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION**

Exhibit 7 Page 1-A

**SELECTED ULTIMATE LOSS & ALAE**

**DISTRICT OF COLUMBIA**

Accident Year	Paid Loss & ALAE Development Method	Incurred Loss & ALAE Development Method	Incurred Loss & Paid ALAE Development Method	Paid Loss & Paid ALAE Development Method	Paid Loss & ALAE B-F Method	Incurred Loss & ALAE B-F Method	Weighted Average of Methods	Selected Ultimate Loss & ALAE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2013	62,773	55,171	56,199	60,876	83,403	65,319	66,449	66,449
2014	8,520	6,912	6,859	8,755	53,019	27,454	24,022	24,022
2015	442,693	311,571	292,661	473,636	321,211	282,620	342,532	342,532
2016	18,298	10,724	9,710	20,178	122,854	72,160	97,507	97,507
2017	20,038	10,353	16,035	16,035	159,220	122,017	140,619	140,619
2018	115,631	2,883,919	2,516,239	134,219	207,337	590,119	398,728	398,728
2013-2018	667,953	3,278,650	2,897,703	713,700	947,045	1,159,689	1,069,857	1,069,857

**COUNTRYWIDE**

Accident Year	Paid Loss & ALAE Development Method	Incurred Loss & ALAE Development Method	Incurred Loss & Paid ALAE Development Method	Paid Loss & Paid ALAE Development Method	Paid Loss & ALAE B-F Method	Incurred Loss & ALAE B-F Method	Weighted Average of Methods	Selected Ultimate Loss & ALAE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2013	86,198,062	87,648,043	88,031,260	85,970,783	86,721,778	87,753,289	87,119,278	87,119,278
2014	75,170,226	74,839,630	75,048,256	75,244,342	79,948,658	77,067,079	76,827,084	76,827,084
2015	76,310,006	77,477,932	77,384,931	76,573,077	83,937,515	80,657,775	79,638,325	79,638,325
2016	71,319,954	71,590,302	70,663,309	72,484,366	88,601,115	81,215,819	84,908,467	84,908,467
2017	80,350,752	70,319,044	71,458,792	80,682,879	99,533,949	90,971,733	95,252,841	95,252,841
2018	55,828,422	62,528,946	65,656,390	50,298,563	106,660,741	103,237,194	104,948,967	104,948,967
2013-2018	445,177,421	444,403,897	448,242,938	441,254,011	545,403,755	520,902,888	528,694,961	528,694,961

- (1) See Exhibit 7 Page 2
- (2) See Exhibit 7 Page 3
- (3) See Exhibit 7 Page 4
- (4) See Exhibit 7 Page 5
- (5) See Exhibit 7 Page 6
- (6) See Exhibit 7 Page 7

Comment: Average of BF for 2016-18, Average of (3) through (6) for 2013-15



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION**

**PAID LOSS & ALAE DEVELOPMENT**

**DISTRICT OF COLUMBIA**

Accident Year	Paid		
	Paid Loss & ALAE	Paid Loss & ALAE LDF	Paid Loss & ALAE Development Method

	(1)	(2)	(3)
2013	50,055	1.254	62,773
2014	5,967	1.428	8,520
2015	251,500	1.760	442,693
2016	7,000	2.614	18,298
2017	4,089	4.901	20,038
2018	6,979	16.568	115,631
2013-2018	325,589		667,953

**COUNTRYWIDE**

Accident Year	Paid		
	Paid Loss & ALAE	Paid Loss & ALAE LDF	Paid Loss & ALAE Development Method

	(1)	(2)	(3)
2013	68,733,948	1.254	86,198,062
2014	52,644,144	1.428	75,170,226
2015	43,352,758	1.760	76,310,006
2016	27,283,822	2.614	71,319,954
2017	16,394,452	4.901	80,350,752
2018	3,369,645	16.568	55,828,422
2013-2018	211,778,769		445,177,421

(2) See Exhibit 8 Page 1

(3) = (1) \* (2)



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION**

**INCURRED LOSS & ALAE DEVELOPMENT**

**DISTRICT OF COLUMBIA**

Accident Year	Incurred Loss & ALAE	Incurred Loss & ALAE LDF	Incurred Loss & ALAE Development Method
	(1)	(2)	(3)
2013	50,055	1.102	55,171
2014	5,967	1.159	6,912
2015	251,500	1.239	311,571
2016	7,000	1.532	10,724
2017	4,089	2.532	10,353
2018	406,982	7.086	2,883,919
2013-2018	725,592		3,278,650

**COUNTRYWIDE**

Accident Year	Incurred Loss & ALAE	Incurred Loss & ALAE LDF	Incurred Loss & ALAE Development Method
	(1)	(2)	(3)
2013	79,520,203	1.102	87,648,043
2014	64,597,699	1.159	74,839,630
2015	62,540,213	1.239	77,477,932
2016	46,729,288	1.532	71,590,302
2017	27,770,560	2.532	70,319,044
2018	8,824,162	7.086	62,528,946
2013-2018	289,982,125		444,403,897

(2) See Exhibit 8 Page 2

(3) = (1) \* (2)



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION**

**INCURRED LOSS & PAID ALAE DEVELOPMENT**

**DISTRICT OF COLUMBIA**

Accident Year	Incurred Loss	Incurred Loss LDF	Incurred Loss Development Method	Paid ALAE	Paid ALAE LDF	Paid ALAE Development Method	Incurred Loss & Paid ALAE Development Method
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
2013	22,500	1.091	24,550	27,555	1.149	31,649	56,199
2014	5,000	1.129	5,643	967	1.258	1,216	6,859
2015	250,000	1.162	290,399	1,500	1.508	2,262	292,661
2016	7,000	1.387	9,710	0	2.115	0	9,710
2017	0	2.236	0	4,089	3.922	16,035	16,035
2018	406,543	6.177	2,511,101	439	11.704	5,138	2,516,239
2013-2018	691,043		2,841,403	34,549		56,300	2,897,703

**COUNTRYWIDE**

Accident Year	Incurred Loss	Incurred Loss LDF	Incurred Loss Development Method	Paid ALAE	Paid ALAE LDF	Paid ALAE Development Method	Incurred Loss & Paid ALAE Development Method
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
2013	57,493,706	1.091	62,732,626	22,026,497	1.149	25,298,634	88,031,260
2014	48,032,809	1.129	54,207,001	16,564,890	1.258	20,841,254	75,048,256
2015	48,854,667	1.162	56,749,337	13,685,546	1.508	20,635,594	77,384,931
2016	38,701,784	1.387	53,685,834	8,027,505	2.115	16,977,475	70,663,309
2017	22,215,940	2.236	49,673,034	5,554,620	3.922	21,785,758	71,458,792
2018	6,806,513	6.177	42,041,889	2,017,649	11.704	23,614,501	65,656,390
2013-2018	222,105,419		319,089,722	67,876,706		129,153,216	448,242,938

(2) See Exhibit 8 Page 3

(3) = (1) \* (2)

(5) See Exhibit 8 Page 4

(6) = (4) \* (5)

(7) = (3) + (6)



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION**

**PAID LOSS & PAID ALAE DEVELOPMENT**

**DISTRICT OF COLUMBIA**

Accident Year	Paid Loss	Paid Loss LDF	Paid Loss Development Method	Paid ALAE	Paid ALAE LDF	Paid ALAE Development Method	Paid Loss & Paid ALAE Development Method
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
2013	22,500	1.299	29,227	27,555	1.149	31,649	60,876
2014	5,000	1.508	7,539	967	1.258	1,216	8,755
2015	250,000	1.885	471,375	1,500	1.508	2,262	473,636
2016	7,000	2.883	20,178	0	2.115	0	20,178
2017	0	5.433	0	4,089	3.922	16,035	16,035
2018	6,540	19.737	129,081	439	11.704	5,138	134,219
2013-2018	291,040		657,400	34,549		56,300	713,700

**COUNTRYWIDE**

Accident Year	Paid Loss	Paid Loss LDF	Paid Loss Development Method	Paid ALAE	Paid ALAE LDF	Paid ALAE Development Method	Paid Loss & Paid ALAE Development Method
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
2013	46,707,451	1.299	60,672,149	22,026,497	1.149	25,298,634	85,970,783
2014	36,079,254	1.508	54,403,088	16,564,890	1.258	20,841,254	75,244,342
2015	29,667,212	1.885	55,937,483	13,685,546	1.508	20,635,594	76,573,077
2016	19,256,318	2.883	55,506,891	8,027,505	2.115	16,977,475	72,484,366
2017	10,839,832	5.433	58,897,121	5,554,620	3.922	21,785,758	80,682,879
2018	1,351,996	19.737	26,684,062	2,017,649	11.704	23,614,501	50,298,563
2013-2018	143,902,063		312,100,794	67,876,706		129,153,216	441,254,011

(2) See Exhibit 8 Page 5

(3) = (1) \* (2)

(5) See Exhibit 8 Page 4

(6) = (4) \* (5)

(7) = (3) + (6)



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION**

**PAID LOSS & ALAE B-F METHOD**

**DISTRICT OF COLUMBIA**

Accident Year	Earned Premium	Paid Loss & ALAE	Paid Loss & ALAE LDF	Paid Loss & ALAE B-F Method
	(1)	(2)	(3)	(4)
2013	310,944	50,055	1.254	83,403
2014	299,588	5,967	1.428	53,019
2015	312,086	251,500	1.760	321,211
2016	354,982	7,000	2.614	122,854
2017	359,046	4,089	4.901	159,220
2018	378,472	6,979	16.568	207,337
2013-2018	2,015,118	325,589		947,045

**COUNTRYWIDE**

Accident Year	Earned Premium	Paid Loss & ALAE	Paid Loss & ALAE LDF	Paid Loss & ALAE B-F Method
	(1)	(2)	(3)	(4)
2013	167,722,321	68,733,948	1.254	86,721,778
2014	173,851,848	52,644,144	1.428	79,948,658
2015	181,692,521	43,352,758	1.760	83,937,515
2016	187,878,667	27,283,822	2.614	88,601,115
2017	192,422,867	16,394,452	4.901	99,533,949
2018	195,114,250	3,369,645	16.568	106,660,741
2013-2018	1,098,682,474	211,778,769		545,403,755

(3) See Exhibit 8 Page 1

(4) = (2) + (1) \* ELR \* [1-1/(3)]



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION**

**INCURRED LOSS & ALAE B-F METHOD**

**DISTRICT OF COLUMBIA**

Accident Year	Earned Premium	Incurred Loss & ALAE	Incurred Loss & ALAE LDF	Incurred Loss & ALAE B-F Method
	(1)	(2)	(3)	(4)
2013	310,944	50,055	1.102	65,319
2014	299,588	5,967	1.159	27,454
2015	312,086	251,500	1.239	282,620
2016	354,982	7,000	1.532	72,160
2017	359,046	4,089	2.532	122,017
2018	378,472	406,982	7.086	590,119
2013-2018	2,015,118	725,592		1,159,689

**COUNTRYWIDE**

Accident Year	Earned Premium	Incurred Loss & ALAE	Incurred Loss & ALAE LDF	Incurred Loss & ALAE B-F Method
	(1)	(2)	(3)	(4)
2013	167,722,321	79,520,203	1.102	87,753,289
2014	173,851,848	64,597,699	1.159	77,067,079
2015	181,692,521	62,540,213	1.239	80,657,775
2016	187,878,667	46,729,288	1.532	81,215,819
2017	192,422,867	27,770,560	2.532	90,971,733
2018	195,114,250	8,824,162	7.086	103,237,194
2013-2018	1,098,682,474	289,982,125		520,902,888

(3) See Exhibit 8 Page 2

(4) = (2) + (1) \* ELR \* [1-1/(3)]



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
AS OF 06/2019  
BASED ON ACCIDENT YEAR**

Exhibit 8 Page 1-A

**LOSS & ALAE ANALYSIS**

**LOSS & ALAE DEVELOPMENT FACTORS: PAID LOSS & ALAE**

Accident Year	6	18	30	42	54	66	Month 78	90	102	114	126	138
2008	105,155	2,331,696	10,498,739	25,739,177	39,728,978	50,338,815	61,874,187	66,347,217	69,268,743	71,084,312	71,943,013	74,130,649
2009	38,796	2,143,017	9,887,069	18,706,248	29,610,309	38,078,266	44,718,552	47,755,382	50,198,788	51,471,219	54,160,152	
2010	115,488	2,820,468	10,561,067	23,113,822	40,376,339	48,587,064	53,070,845	57,433,976	58,601,782	60,528,117		
2011	142,987	2,905,613	14,931,000	28,169,151	41,574,392	55,738,469	63,570,761	67,972,589	69,923,493			
2012	77,945	4,192,644	14,431,094	25,058,888	38,237,306	48,098,221	53,840,178	55,569,691				
2013	107,389	3,227,086	12,980,683	31,938,452	47,968,505	59,649,675	68,733,948					
2014	119,990	5,834,442	19,065,501	32,071,878	43,908,207	52,647,929						
2015	141,563	3,677,982	12,675,091	27,059,605	43,366,697							
2016	164,847	6,007,647	14,354,925	27,294,813								
2017	174,213	3,168,908	16,424,466									
2018	285,415	3,391,860										
2019	201,114											
2008	22.174	4.503	2.452	1.544	1.267	1.229	1.072	1.044	1.026	1.012	1.030	
2009	55.238	4.614	1.892	1.583	1.286	1.174	1.068	1.051	1.025	1.052		
2010	24.422	3.744	2.189	1.747	1.203	1.092	1.082	1.020	1.033			
2011	20.321	5.139	1.887	1.476	1.341	1.141	1.069	1.029				
2012	53.790	3.442	1.736	1.526	1.258	1.119	1.032					
2013	30.050	4.022	2.460	1.502	1.244	1.152						
2014	48.624	3.268	1.682	1.369	1.199							
2015	25.981	3.446	2.135	1.603								
2016	36.444	2.389	1.901									
2017	18.190	5.183										
2018	11.884											
Average	31.556	3.975	2.037	1.544	1.257	1.151	1.065	1.036	1.028	1.032	1.030	
3 - Yr Avg	22.172	3.673	1.906	1.491	1.233	1.137	1.061	1.033	1.028	1.032	1.030	
5 - Yr Avg	28.225	3.662	1.983	1.495	1.249	1.136	1.065	1.036	1.028	1.032	1.030	
Wtd Avg	26.938	3.740	2.003	1.533	1.255	1.151	1.065	1.035	1.028	1.029	1.030	
3 - Yr Wtd	20.126	3.380	1.875	1.485	1.233	1.139	1.062	1.032	1.028	1.029	1.030	
5 - Yr Wtd	24.921	3.445	1.951	1.490	1.248	1.135	1.065	1.035	1.028	1.029	1.030	
5 - Yr x hi/lo	26.872	3.579	1.924	1.501	1.235	1.706	3.209	1.036	1.028	1.032	1.030	
Selected	20.126	3.380	1.875	1.485	1.233	1.139	1.062	1.032	1.028	1.029	1.030	1.050
Cumulative	333.454	16.568	4.901	2.614	1.760	1.428	1.254	1.181	1.145	1.113	1.082	1.050



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
AS OF 06/2019  
BASED ON ACCIDENT YEAR**

Exhibit 8 Page 2-A

**LOSS & ALAE ANALYSIS**

**LOSS & ALAE DEVELOPMENT FACTORS: INCURRED LOSS & ALAE**

Accident Year	Month											
	6	18	30	42	54	66	78	90	102	114	126	138
2008	150,900	6,344,079	25,126,962	49,191,326	64,372,917	71,124,508	71,961,821	73,241,899	73,610,750	73,654,942	74,412,641	75,002,376
2009	349,898	5,828,435	23,618,559	37,276,888	45,507,258	53,343,900	54,466,797	53,314,892	56,299,416	56,601,223	58,310,158	
2010	138,841	7,492,265	20,860,671	45,064,359	59,702,243	61,609,064	61,311,135	61,877,323	62,624,299	62,508,625		
2011	154,679	8,662,699	28,288,349	49,406,050	59,976,997	66,290,815	72,536,042	74,558,500	75,341,152			
2012	94,473	10,004,715	30,478,064	44,299,179	58,206,582	59,297,821	60,180,453	60,799,855				
2013	305,812	9,142,049	33,414,945	53,690,812	69,712,737	76,327,321	79,520,203					
2014	182,827	9,226,062	31,475,001	51,991,258	59,328,924	64,601,486						
2015	210,899	8,551,083	28,785,943	49,289,836	62,604,153							
2016	484,813	11,387,357	29,462,770	47,015,283								
2017	863,927	10,847,869	27,905,581									
2018	737,017	8,871,419										
2019	758,844											
2008	42.042	3.961	1.958	1.309	1.105	1.012	1.018	1.005	1.001	1.010	1.008	
2009	16.658	4.052	1.578	1.221	1.172	1.021	0.979	1.056	1.005	1.030		
2010	53.963	2.784	2.160	1.325	1.032	0.995	1.009	1.012	0.998			
2011	56.004	3.266	1.747	1.214	1.105	1.094	1.028	1.010				
2012	105.900	3.046	1.453	1.314	1.019	1.015	1.010					
2013	29.894	3.655	1.607	1.298	1.095	1.042						
2014	50.463	3.412	1.652	1.141	1.089							
2015	40.546	3.366	1.712	1.270								
2016	23.488	2.587	1.596									
2017	12.556	2.572										
2018	12.037											
Average	40.323	3.270	1.718	1.261	1.088	1.030	1.009	1.021	1.001	1.020	1.008	
3 - Yr Avg	16.027	2.842	1.653	1.237	1.068	1.050	1.016	1.026	1.001	1.020	1.008	
5 - Yr Avg	27.818	3.119	1.604	1.248	1.068	1.033	1.009	1.021	1.001	1.020	1.008	
Wtd Avg	26.226	3.194	1.699	1.261	1.086	1.031	1.010	1.019	1.001	1.019	1.008	
3 - Yr Wtd	14.914	2.798	1.653	1.237	1.069	1.051	1.017	1.024	1.001	1.019	1.008	
5 - Yr Wtd	19.715	3.073	1.603	1.246	1.069	1.035	1.010	1.019	1.001	1.019	1.008	
5 - Yr x hi/lo	25.530	3.122	1.618	1.261	1.072	1.539	3.037	1.021	1.001	1.020	1.008	
Selected	14.914	2.798	1.653	1.237	1.069	1.051	1.017	1.024	1.001	1.019	1.008	1.030
Cumulative	105.681	7.086	2.532	1.532	1.239	1.159	1.102	1.084	1.059	1.058	1.038	1.030



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
AS OF 06/2019  
BASED ON ACCIDENT YEAR**

Exhibit 8 Page 3-A

**LOSS & ALAE ANALYSIS**

Accident Year	LOSS & ALAE DEVELOPMENT FACTORS: INCURRED LOSS											
	Month											
	6	18	30	42	54	66	78	90	102	114	126	138
2008	115,536	5,451,025	20,875,131	39,388,692	49,435,991	52,625,250	51,311,379	51,577,459	51,206,175	50,852,298	51,256,661	51,778,760
2009	315,615	4,914,277	19,652,686	29,155,592	33,514,494	39,008,853	38,460,012	36,196,783	38,632,493	38,460,555	39,980,307	
2010	97,271	6,231,576	16,786,035	36,479,425	46,607,094	46,266,855	44,566,446	44,065,253	44,211,189	43,974,540		
2011	88,615	7,398,361	22,850,547	38,378,712	44,156,742	47,262,368	51,750,852	53,028,982	53,465,730			
2012	20,988	8,307,245	25,375,212	35,037,923	44,484,755	42,783,616	42,137,791	42,008,555				
2013	211,381	7,589,726	28,074,867	42,166,468	53,413,201	56,316,915	57,493,706					
2014	82,520	7,492,415	25,656,621	41,238,594	45,048,623	48,032,811						
2015	85,177	6,936,038	23,680,667	39,997,666	48,904,668							
2016	343,009	9,906,647	25,243,046	38,976,788								
2017	714,306	8,947,282	22,320,947									
2018	529,366	6,831,555										
2019	604,237											
2008	47.180	3.830	1.887	1.255	1.065	0.975	1.005	0.993	0.993	1.008	1.010	
2009	15.570	3.999	1.484	1.150	1.164	0.986	0.941	1.067	0.996	1.040		
2010	64.064	2.694	2.173	1.278	0.993	0.963	0.989	1.003	0.995			
2011	83.488	3.089	1.680	1.151	1.070	1.095	1.025	1.008				
2012	395.803	3.055	1.381	1.270	0.962	0.985	0.997					
2013	35.905	3.699	1.502	1.267	1.054	1.021						
2014	90.795	3.424	1.607	1.092	1.066							
2015	81.431	3.414	1.689	1.223								
2016	28.882	2.548	1.544									
2017	12.526	2.495										
2018	12.905											
Average	78.959	3.225	1.661	1.211	1.053	1.004	0.991	1.018	0.994	1.024	1.010	
3 - Yr Avg	18.104	2.819	1.613	1.194	1.027	1.034	1.003	1.026	0.994	1.024	1.010	
5 - Yr Avg	45.308	3.116	1.545	1.200	1.029	1.010	0.991	1.018	0.994	1.024	1.010	
Wtd Avg	30.727	3.150	1.637	1.211	1.049	1.005	0.994	1.014	0.994	1.022	1.010	
3 - Yr Wtd	16.188	2.762	1.612	1.194	1.029	1.034	1.005	1.023	0.994	1.022	1.010	
5 - Yr Wtd	22.865	3.058	1.542	1.199	1.030	1.012	0.994	1.014	0.994	1.022	1.010	
5 - Yr x hi/lo	41.073	3.129	1.551	1.213	1.038	1.496	2.991	1.018	0.994	1.024	1.010	
Selected	16.188	2.762	1.612	1.194	1.029	1.034	1.005	1.023	0.994	1.022	1.010	1.035
Cumulative	99.990	6.177	2.236	1.387	1.162	1.129	1.091	1.086	1.062	1.068	1.046	1.035



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
AS OF 06/2019  
BASED ON ACCIDENT YEAR**

**LOSS & ALAE ANALYSIS**

Accident Year	LOSS & ALAE DEVELOPMENT FACTORS: PAID ALAE											
	Month											
	6	18	30	42	54	66	78	90	102	114	126	138
2008	35,364	893,054	4,251,831	9,802,634	14,936,926	18,499,258	20,650,442	21,664,440	22,404,575	22,802,644	23,155,980	23,223,616
2009	34,283	914,158	3,965,873	8,121,296	11,992,764	14,335,047	16,006,784	17,118,109	17,666,923	18,140,668	18,329,851	
2010	41,571	1,260,689	4,074,637	8,584,934	13,095,149	15,342,210	16,744,689	17,812,070	18,413,110	18,534,085		
2011	66,064	1,264,338	5,437,802	11,027,338	15,820,255	19,028,447	20,785,190	21,529,518	21,875,422			
2012	73,485	1,697,470	5,102,852	9,261,256	13,721,827	16,514,204	18,042,661	18,791,300				
2013	94,431	1,552,323	5,340,078	11,524,344	16,299,537	20,010,406	22,026,497					
2014	100,307	1,733,647	5,818,380	10,752,664	14,280,302	16,568,674						
2015	125,722	1,615,045	5,105,276	9,292,170	13,699,485							
2016	141,804	1,480,710	4,219,724	8,038,496								
2017	149,621	1,900,586	5,584,635									
2018	207,651	2,039,863										
2019	154,607											
2008	25.253	4.761	2.306	1.524	1.238	1.116	1.049	1.034	1.018	1.015	1.003	
2009	26.665	4.338	2.048	1.477	1.195	1.117	1.069	1.032	1.027	1.010		
2010	30.326	3.232	2.107	1.525	1.172	1.091	1.064	1.034	1.007			
2011	19.138	4.301	2.028	1.435	1.203	1.092	1.036	1.016				
2012	23.100	3.006	1.815	1.482	1.203	1.093	1.041					
2013	16.439	3.440	2.158	1.414	1.228	1.101						
2014	17.283	3.356	1.848	1.328	1.160							
2015	12.846	3.161	1.820	1.474								
2016	10.442	2.850	1.905									
2017	12.703	2.938										
2018	9.824											
Average	18.547	3.538	2.004	1.457	1.200	1.102	1.052	1.029	1.017	1.013	1.003	
3 - Yr Avg	10.989	2.983	1.858	1.406	1.197	1.095	1.047	1.027	1.017	1.013	1.003	
5 - Yr Avg	12.620	3.149	1.909	1.427	1.193	1.099	1.052	1.029	1.017	1.013	1.003	
Wtd Avg	15.278	3.417	1.995	1.453	1.201	1.101	1.051	1.029	1.017	1.013	1.003	
3 - Yr Wtd	10.862	2.984	1.854	1.403	1.198	1.095	1.046	1.026	1.017	1.013	1.003	
5 - Yr Wtd	12.095	3.147	1.910	1.424	1.195	1.098	1.051	1.029	1.017	1.013	1.003	
5 - Yr x hi/lo	11.997	3.152	1.858	1.441	1.193	1.643	3.154	1.029	1.017	1.013	1.003	
Selected	10.862	2.984	1.854	1.403	1.198	1.095	1.046	1.026	1.017	1.013	1.003	1.035
Cumulative	127.133	11.704	3.922	2.115	1.508	1.258	1.149	1.098	1.070	1.052	1.038	1.035



**CNA INSURANCE COMPANIES**  
**2019 DISTRICT OF COLUMBIA FILING**  
**HEALTHCARE PROVIDERS SERVICE ORGANIZATION**  
**AS OF 06/2019**  
**BASED ON ACCIDENT YEAR**

Exhibit 8 Page 5-A

**LOSS & ALAE ANALYSIS**

**LOSS & ALAE DEVELOPMENT FACTORS: PAID LOSS**

Accident Year	Month											
	6	18	30	42	54	66	78	90	102	114	126	138
2008	69,791	1,438,642	6,246,908	15,936,543	24,792,052	31,839,557	41,223,745	44,682,777	46,864,168	48,281,668	48,787,033	50,907,033
2009	4,513	1,228,859	5,921,196	10,584,952	17,617,545	23,743,219	28,711,767	30,637,273	32,531,865	33,330,551	35,830,301	
2010	73,918	1,559,779	6,486,431	14,528,888	27,281,190	33,244,855	36,326,156	39,621,906	40,188,672	41,994,032		
2011	76,923	1,641,275	9,493,198	17,141,813	25,754,137	36,710,022	42,785,571	46,443,071	48,048,071			
2012	4,460	2,495,174	9,328,242	15,797,632	24,515,479	31,584,016	35,797,516	36,778,391				
2013	12,958	1,674,763	7,640,605	20,414,108	31,668,969	39,639,269	46,707,451					
2014	19,683	4,100,795	13,247,121	21,319,214	29,627,906	36,079,254						
2015	15,841	2,062,937	7,569,815	17,767,435	29,667,212							
2016	23,043	4,526,937	10,135,201	19,256,318								
2017	24,592	1,268,321	10,839,832									
2018	77,764	1,351,996										
2019	46,507											
2008	20.614	4.342	2.551	1.556	1.284	1.295	1.084	1.049	1.030	1.010	1.043	
2009	272.283	4.818	1.788	1.664	1.348	1.209	1.067	1.062	1.025	1.075		
2010	21.102	4.159	2.240	1.878	1.219	1.093	1.091	1.014	1.045			
2011	21.336	5.784	1.806	1.502	1.425	1.166	1.085	1.035				
2012	559.415	3.739	1.694	1.552	1.288	1.133	1.027					
2013	129.243	4.562	2.672	1.551	1.252	1.178						
2014	208.343	3.230	1.609	1.390	1.218							
2015	130.230	3.669	2.347	1.670								
2016	196.454	2.239	1.900									
2017	51.574	8.547										
2018	17.386											
Average	147.998	4.509	2.067	1.595	1.291	1.179	1.071	1.040	1.033	1.043	1.043	
3 - Yr Avg	88.471	4.818	1.952	1.537	1.253	1.159	1.068	1.037	1.033	1.043	1.043	
5 - Yr Avg	120.797	4.449	2.044	1.533	1.280	1.156	1.071	1.040	1.033	1.043	1.043	
Wtd Avg	57.869	3.951	2.008	1.580	1.285	1.177	1.072	1.039	1.034	1.037	1.043	
3 - Yr Wtd	56.996	3.632	1.885	1.529	1.250	1.161	1.069	1.035	1.034	1.037	1.043	
5 - Yr Wtd	82.716	3.626	1.973	1.528	1.277	1.154	1.072	1.039	1.034	1.037	1.043	
5 - Yr x hi/lo	126.086	3.821	1.980	1.535	1.253	1.739	3.236	1.040	1.033	1.043	1.043	
Selected	56.996	3.632	1.885	1.529	1.250	1.161	1.069	1.035	1.034	1.037	1.043	1.050
Cumulative	1124.916	19.737	5.433	2.883	1.885	1.508	1.299	1.215	1.174	1.136	1.096	1.050



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION**

Exhibit 9

**SEVERITY & FREQUENCY TRENDS**

**SEVERITY TREND ANALYSIS - COUNTRYWIDE DATA**

Accident Year	Projected Incurred Counts	Projected Incurred Ultimates	Indicated Severity	2014-2018 Fitted Severity
------------------	---------------------------------	------------------------------------	-----------------------	---------------------------------

	(1)	(2)	(3)	(4)
2014	1,666	76,827,084	46,126	47,017
2015	1,538	79,638,325	51,772	49,963
2016	1,604	84,908,467	52,920	53,092
2017	1,729	95,252,841	55,097	56,418
2018	1,732	104,948,967	60,585	59,952

Exponential Fit	2014-2018
Trend:	6.3%

**FREQUENCY TREND ANALYSIS - COUNTRYWIDE DATA**

Accident Year	Exposure OLEP in millions	Projected Incurred Counts	Indicated Frequency	2013-2018 Fitted Frequency
------------------	------------------------------	---------------------------------	------------------------	----------------------------------

	(5)	(6)	(7)	(8)
2013	201	1,563	7.7913	7.8929
2014	197	1,666	8.4350	8.0274
2015	195	1,538	7.8742	8.1642
2016	198	1,604	8.1018	8.3033
2017	200	1,729	8.6523	8.4448
2018	202	1,732	8.5876	8.5887

Exponential Fit	2013-2018
Trend:	1.7%

**Calculated Trends   Selected Trends**

Severity Trend	6.3%	2.5%
Frequency Trend	1.7%	1.5%
Total Trend	8.1%	<b>4.0%</b>

- (1) See Exhibit 4
- (2) See Exhibit 4
- (3) = (2) / (1)
- (5) See Exhibit 4
- (6) See Exhibit 4
- (7) = (6) / (5)



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION**

Exhibit 10-A

**DISTRICT OF COLUMBIA CREDIBILITY ANALYSIS**

Accident Year	Incurred + Paid ALAE Claim Counts	Selected Development Factor	Selected Ultimate Claim Counts
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	(1)	(2)	(3)
2013	3	1.019	3
2014	2	1.035	2
2015	2	1.065	2
2016	1	1.141	1
2017	1	1.383	1
2018	5	2.071	7
2013-2018	14		17

(4) Full Credibility Standard 1,082

(5) District Of Columbia Credibility 12.4%

(2) See Exhibit 4

(3) = (1) x (2)

(5) = [(3) Total / (4)]<sup>.5</sup>



**CNA INSURANCE COMPANIES**  
**2019 DISTRICT OF COLUMBIA FILING**  
**HEALTHCARE PROVIDERS SERVICE ORGANIZATION**  
**EXPENSE EXHIBIT**

	2014	2015	2016	2017	2018	Latest 5 Years	Selection
Countrywide Written Premium	182,531	189,426	190,949	190,938	225,807	979,650	
Countrywide Earned Premium	179,666	186,740	190,401	192,116	208,257	957,179	
State-specific Written Premium	350	338	360	327	637	2,013	
State-specific Commissions	133	130	139	129	220	751	
Commission Ratio	37.9%	38.4%	38.6%	39.5%	34.5%	37.3%	37.3%
State-specific Taxes, Licenses, and Fees	8	8	15	0	18	48	
TLF Ratio	2.2%	2.2%	4.1%	0.1%	2.8%	2.4%	2.4%
Countrywide Other Acquisition Expenses	4,380	5,072	5,130	5,096	5,390	25,068	
Other Acquisition Ratio	2.4%	2.7%	2.7%	2.7%	2.4%	2.6%	2.6%
Countrywide General Expenses	3,674	4,305	4,509	4,744	6,688	23,920	
General Expenses Ratio	2.0%	2.3%	2.4%	2.5%	3.2%	2.5%	2.5%
Expenses (excluding ULAE)							44.8%
Countrywide Incurred Losses	38,718	31,555	46,199	61,547	60,148	238,167	
Countrywide Allocated Loss Adjustment Expenses	22,207	23,595	23,588	25,793	21,457	116,640	
Countrywide Unallocated Loss Adjustment Expenses	6,671	7,433	2,834	4,210	4,823	25,971	
ULAE, as a percentage of Earned Premium	3.7%	4.0%	1.5%	2.2%	2.3%	2.7%	2.7%

All data is in thousands.

Premiums and expenses are taken from the Annual Statement (Insurance Expense Exhibit or Statutory Page 14) for Lines of Business pertaining to:

Medical Professional Liability (Line 11)



**CNA INSURANCE COMPANIES**  
**2019 DISTRICT OF COLUMBIA FILING**  
**HEALTHCARE PROVIDERS SERVICE ORGANIZATION**  
**INVESTMENT INCOME EXHIBIT**

**Derivation of Pre-Tax Investment Rate**

(1) Investment Income & Capital Gains to Assets 2015 - 2017	5.07%
(2) Tax Rate on Investment Income	16.77%
(3) Interest Rate After Tax	4.22%

**2017 Combined Annual Statement**  
**Federal Tax Rate on Investment Income**

	Investment Income Earned	Federal Income Tax Rate	Federal Income Tax	
Bonds				
Taxable	1,319,012	21.00%	276,992	
Non-Taxable	383,993	3.15%	12,096	(A)
Total	1,703,005	16.98%	289,088	
Stocks				
Unaffiliated	13,019	8.51%	1,107	(B)
Affiliated	101,486	6.72%	6,820	(C)
Total	114,505	6.92%	7,927	
Mortgage Loans	31,338	21.00%	6,581	
Real Estate	0	21.00%	0	
Contract loans	0	21.00%	0	
Cash/Short Term Investments	6,734	21.00%	1,414	
All Other	199,837	21.00%	41,966	
Investment and Interest Expenses	(54,211)	21.00%	(11,384)	
Other deductions from Investment Income	(165)	21.00%	(35)	
Subtotal	183,533	21.00%	38,542	
<b>Total</b>	<b>2,001,043</b>	<b>16.77%</b>	<b>335,557</b>	

**Notes:**

- (A) Income on tax-exempt bond is subject to proration; that is, 15% of that income is taxed at a full corporate income tax rate of 21%. The applicable tax rate is thus 3.15% (.15 \* 0.21 = 0.0315).
- (B) 30% of dividend income is subject to a full corporate income tax rate of 21%, 15% of the remaining 70% of dividend income is taxed at a rate of 21%. The applicable tax rate is thus 8.51% ((.30 \* 0.21) + (.7 \* .15 \* 0.21) = 0.0851).
- (C) 20% of dividend income is subject to a full corporate income tax rate of 21%, 15% of the remaining 80% of dividend income is taxed at a rate of 21%. The applicable tax rate is thus 6.72% ((.20 \* 0.21) + (.8 \* .15 \* 0.21) = 0.0672).

**Investment Income & Capital Gains**  
**Summary 2013 - 2017**

	Annual Statements (in \$000s)					
	2013	2014	2015	2016	2017	2015 - 2017
(1) Net Investment Income Earned	1,942,544	2,015,155	2,296,436	2,046,041	2,001,043	6,343,520
(2) Net Realized Capital Gains or Losses	(122,852)	32,083	(148,406)	56,547	(2,837)	(94,696)
(3) Total Investment Gain = (1) + (2)	1,819,693	2,047,239	2,148,029	2,102,588	1,998,206	6,248,824
(4) Change in Net Unrealized Capital Gains or Losses	388,692	133,363	(407,224)	57,569	238,419	(111,236)
(5) Total = (3) + (4)	2,208,385	2,180,602	1,740,806	2,160,157	2,236,625	6,137,588
(6) Mean Cash & Invested Assets	39,004,994	39,924,623	40,298,593	40,288,931	40,370,725	120,958,249
Net Investment Income & Capital Gains / Mean Cash & Invested Assets						
(7) Net Investment Income Earned = (1) / (6)	4.98%	5.05%	5.70%	5.08%	4.96%	5.24%
(8) Net Realized Capital Gains or Losses = (2) / (6)	-0.31%	0.08%	-0.37%	0.14%	-0.01%	-0.08%
(9) Total Investment Gain = (3) / (6)	4.67%	5.13%	5.33%	5.22%	4.95%	5.17%
(10) Net Unrealized Capital Gains or Losses = (4) / (6)	1.00%	0.33%	-1.01%	0.14%	0.59%	-0.09%
(11) Total Investment Income & Capital Gains to Assets = (5) / (6)	5.66%	5.46%	4.32%	5.36%	5.54%	5.07%



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
PROFIT PROVISION EXHIBIT**

**Derivation of Underwriting Profit Provision**

(1)	Target After-Tax Rate of Return on Equity	15.0%
(2)	Premium to Surplus Ratio	1.11
(3)	After-Tax Ratio on Investment Earnings to Earned Premium	9.9%
(4)	Target Underwriting Profit, after-tax	3.6%
(5)	Target Underwriting Profit, before-tax	4.6%

Notes

- (2) CNA's average Premium to Surplus ratio between 2016 and 2018 is approx. 0.5. However, we can allocate a portion of surplus to Healthcare Providers Service Organization based on net earned premium, net loss reserves, and net unearned premium reserves.

	2015	2016	2017	2018
(In \$000s)				
Healthcare Providers Service Organization				
Net Earned Premium	181,763	186,644	189,962	189,034
Net Loss Reserves	318,562	309,222	331,914	340,731
Net Unearned Premium Reserves	76,957	77,720	76,540	79,693
Mean Reserve + EP		577,875	587,660	603,473
Total CNA				
Net Earned Premium	5,441,273	5,469,493	5,626,144	5,934,785
Net Loss Reserves	19,158,019	18,846,451	18,263,313	17,933,915
Net Unearned Premium Reserves	12,467,633	12,995,148	13,384,584	13,621,034
Mean Reserve + EP		37,203,119	37,370,892	37,536,208
Surplus		10,723,262	10,748,324	10,726,216
Healthcare Providers Service Organization Allocation of Surplus				
- as percentage of reserves		1.55%	1.57%	1.61%
Mean Surplus				10,737,270
Healthcare Providers Service Organization Allocation of Surplus - in doll		166,782	168,844	172,624
Healthcare Providers Service Organization Premium to Surplus Ratio		1.119	1.125	1.095
Selected P/S Ratio				1.113

*Data from Insurance Expense Exhibit, Part II*

- (3) Line G from Exhibit 14-B
- (4) = (1) / (2) - (3)
- (5) = (4) / ( 1 - 21%)



**CNA INSURANCE COMPANIES  
2019 DISTRICT OF COLUMBIA FILING  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
PROFIT PROVISION EXHIBIT**

**Calculation of Investment Income Offset**

			<u>(In \$000s)</u>	<u>Notes</u>
A	Direct Earned Premium for Calendar Year 2018		208,257	from Insurance Expense Exhibit, Part III
B	Unearned Premium Reserve Subject to Investment			
1	Mean Unearned Premium Reserve		81,931	Exhibit 14-C
2	Deduction for Prepaid Expenses		36,602	= B.2.(e) * B.1 Exhibit 14-C
	(a) Commissions	39.5%		
	(b) 50% of Other Acquisition Expenses	1.3%		
	(c) 50% of General Expenses	1.2%		
	(d) Taxes, Licenses, and Fees	2.7%		
	(e) Total Prepaid Expense Provision, as percentage of UEPR	44.7%		
3	Deduction for Federal Taxes Payable		3,441	B.1 * 21% * 20%
4	Deduction for Delayed Remission of Premiums		41,993	= B.4.(a) * A Exhibit 14-C
	(a) Mean Agents' Balance Percentage	20.2%		
5	Unearned Premium Reserve Subject to Investment		-105	= B.1 - B.2 - B.3 - B.4
C	Loss Reserves Subject to Investment		485,927	= C.1 * C.2 * A Exhibit 14-C
1	Mean Loss Reserve Ratio, as percentage of incurred losses	460.6%		
2	Permissible Loss Ratio	50.7%		
D	Net Subject to Investment		485,822	= B.5 + C
E	Investment Earnings		24,651	= E.1 * D Exhibit 14-C
1	Average Rate of Return on Invested Assets	5.1%		
F	Ratio of Earnings to Earned Premium		11.8%	= E / A
G	After-Tax Ratio on Investment Earnings to Earned Premium		9.9%	= F * ( 1 - G.1 ) Exhibit 14-C
1	Effective Tax Rate on Investment Income	16.8%		



**CNA INSURANCE COMPANIES**  
**2019 DISTRICT OF COLUMBIA FILING**  
**HEALTHCARE PROVIDERS SERVICE ORGANIZATION**  
**PROFIT PROVISION EXHIBIT**

**Support for Investment Income Offset**

Information from CNA's Insurance Expense Exhibit, Part III for Medical Professional Liability (Line 11) EXCEPT where noted  
All data is in thousands.

B.1 Mean Unearned Premium Reserve **81,931**

Unearned Premium Reserve as of 12/31/2014	76,415
Unearned Premium Reserve as of 12/31/2015	79,101
Unearned Premium Reserve as of 12/31/2016	79,649
Unearned Premium Reserve as of 12/31/2017	78,471
Unearned Premium Reserve as of 12/31/2018	96,021
<b>Average, 2013-2017</b>	<b>81,931</b>

B.2 Deduction for Prepaid Expenses

Year	Earned Premium	Commission and Brokerage Expenses	Other Acquisition Expenses	General Expenses	Taxes, Licenses, and Fees
2014	179,666	70,934	4,380	3,674	5,115
2015	186,740	73,225	5,072	4,305	4,754
2016	190,401	73,657	5,130	4,509	4,709
2017	192,116	75,022	5,096	4,744	4,815
2018	208,257	84,770	5,390	6,688	6,118
<b>Ratios, 2013-2017</b>		<b>39.5%</b>	<b>2.6%</b>	<b>2.5%</b>	<b>2.7%</b>

B.4 Deduction for Delayed Remission of Premiums **20.2%**

Year	Earned Premium	Agents' Balance	Mean Agents Balance
2013		34,352	
2014	179,666	34,699	34,526
2015	186,740	37,325	36,012
2016	190,401	39,730	38,528
2017	192,116	40,642	40,186
2018	208,257	46,865	43,754
<b>Ratio, 2013-2017</b>			<b>20.2%</b>

C.1 Mean Loss Reserve Ratio, as percentage of incurred losses **460.6%**

Year	Incurred Loss + LAE	Unpaid Loss + LAE
2014	67,596	368,402
2015	62,583	342,698
2016	72,621	328,795
2017	91,550	350,837
2018	86,428	363,269
<b>Ratio, 2013-2017</b>		<b>460.6%</b>

E.1 Average Rate of Return on Invested Assets **5.1%**  
Investment Income Exhibit, (1)

G.1 Effective Tax Rate on Investment Income **16.8%**  
Investment Income Exhibit, (2)



**American Casualty Company Of Reading, Pennsylvania  
Healthcare Providers Service Organization  
District Of Columbia**

Individual Rates	Loss Ratio Relativity	Rate Change	Policies	Written Premium	WP Change
Nurse Practitioners (Classes XI - A to D)	1.33	15.0%	34	88,398	13,260
Physician Assistants (Classes XVI - A to C)	1.08	10.0%	2	4,958	496
Insureds with no rate change	0.95	0.0%	1,041	306,488	0
<b>Total</b>	<b>1.00</b>	<b>3.4%</b>	<b>1,077</b>	<b>399,844</b>	<b>13,756</b>

Firm Debit	Loss Ratio Relativity	Rate Change	Policies	Written Premium	WP Change
High Exposure Firms (Classes: III.A, III.E, XI, & IV.A)	1.52	11.5%	34	111,436	12,858
Other Firms	0.96	0.0%	76	104,253	0
Insureds with no rate change	0.94	0.0%	967	184,155	0
<b>Total</b>	<b>1.00</b>	<b>3.2%</b>	<b>1,077</b>	<b>399,844</b>	<b>12,858</b>

Note: 11.5% =  $(1 + 0.30 + 0.15)/(1 + 0.30)$ , where 30% is existing Firm Debit.

Category	Overall Indication	Rate Impact	Policies	Written Premium	WP Change
Individual Rates		3.4%			
Firm Debit		3.2%			
<b>Total</b>	<b>12.9%</b>	<b>6.8%</b>	<b>60</b>	<b>399,844</b>	<b>27,377</b>

**Notes:**

Loss Ratio Relativities are based on ten years of Countrywide Data.  
Rate Impacts, Insureds and WP are based on State Data.



**American Casualty Company Of Reading, Pennsylvania  
Healthcare Providers Service Organization  
Actuarial Memorandum  
District Of Columbia  
Filing # 19-01979-R**

In this filing we are proposing rate increase to our Nurse Practitioner and Physician Assistant classes as well as introducing an additional firm debit for classes that have exhibited higher exposure to loss, specifically for Registered Nurses, Nurse Practitioners and Pharmasists.

We are proposing this filing to be applicable to all policies effective for new business on or after 2/1/2020, effective for individual renewal business on or after 4/12/2020 and effective for firm renewal business on or after 6/14/2020.

**Class Rate Changes:**

CNA has reviewed the experience of District Of Columbia. Our current indicated rate need is an adjustment of +12.9%. The overall rate impact of the filings is +6.8%. The rate impact will be acheived by the following rate changes:

1. Increasing Nurse Practitioner classes by 15%. (Class XI.A through XI.D)
2. Increasing Physician Assistants classes by 10%. (Class XVI.A through XVI.C)
3. A High Exposure Class surcharge of 15% of developed premium before debits/credits will be added to Nursing Firms (Class III.A., III.E. & XI.) and Pharmacist Firms (Class IV.A.).



**COMPANY PAGES FOR  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA**

**I. APPLICATION OF MANUAL RULES**

- A. The rules contained in these pages shall govern the writing of Professional Liability policies for Healthcare Provider specialties described in Section XV below.
- B. The rules, rates, rating plans and forms filed on behalf of the Company and not in conflict herewith, shall govern in all cases not specifically provided for herein.

**II. POLICY TERM**

Policies may be written for a term of one year, and renewed annually thereafter.

**III. PREMIUM COMPUTATION**

- A. Compute the premium at policy inception using the rates and rating plans in effect at that time. At each renewal, compute the premium using the rules, rates and rating plans then in effect.
- B. Prorate the premium when a policy is issued for other than a whole year.
- C. Premiums are calculated as specified for the respective coverage. Premium rounding will be done at each step of the computation process in accordance with the Whole Dollar Rule, as opposed to rounding the final premium.

**IV. FACTORS OR MULTIPLIERS**

Wherever applicable, factors or multipliers are to be applied consecutively and not added together.

**V. WHOLE DOLLAR RULE**

In the event the rating procedure does not result in a whole dollar:

- A. any amount involving \$.50 or over shall be rounded to the next highest whole dollar amount;
- B. any amount involving \$.49 or less shall be rounded down to the next lower whole dollar amount.

**VI. ADDITIONAL PREMIUM CHARGES**

- A. Prorate all changes requiring additional premium.
- B. Apply the rates and rules that were in effect at the inception date of this policy period. After computing the additional premium, charge the amount applicable from the effective date of the change.

**VII. RETURN PREMIUM**

- A. Compute return premium at the rates used to calculate the policy premium at the inception of this policy period.
- B. Compute return premium pro rata and round in accordance with the Whole Dollar Rule when any coverage or exposure is deleted or an amount of insurance is reduced.



**COMPANY PAGES FOR  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA**

**VIII. DECREASED LIMITS OF LIABILITY**

When lower limits are offered, they will be provided on the following basis:

<b>Limits of Liability</b>	<b>Decreased Limit Factor</b>
\$100,000 / \$300,000	.64
\$100,000 / \$500,000	.65
\$200,000 / \$600,000	.69
\$250,000 / \$750,000	.71
\$200,000 / \$1,000,000	.71
\$500,000 / \$500,000	.76
\$500,000 / \$1,000,000	.79
\$500,000 / \$2,500,000	.83
\$1,000,000 / \$1,000,000	.94
\$1,000,000 / \$2,000,000	.95
\$1,000,000 / \$3,000,000	.96
\$1,000,000 / \$5,000,000	.98

Rates are derived using the standard \$1,000,000 / \$6,000,000 base rates.

**IX. INCREASED LIMITS OF LIABILITY**

When higher limits are offered, they will be provided on the following basis:

<b>Limits of Liability</b>	<b>Increased Limit Factor</b>	<b>Minimum Premium</b>
\$1,000,000 / \$7,000,000	1.02	\$25
\$1,000,000 / \$8,000,000	1.03	\$30
\$2,000,000 / \$4,000,000	1.15	\$40
\$2,000,000 / \$5,000,000	1.17	\$50
\$2,000,000 / \$6,000,000	1.18	\$65
\$2,000,000 / \$7,000,000	1.19	\$75
\$2,000,000 / \$8,000,000	1.20	\$80

Rates are derived using the standard \$1,000,000 / \$6,000,000 base rates.

**X. POLICY CANCELLATIONS**

Return premium will be computed pro-rata in accordance with the Whole Dollar Rule using the rules, rates and rating plans in effect at the inception of this policy period.

**XI. RESTRICTIONS OF COVERAGE OR INCREASED RATE**

Subject to individual state regulations, policies may be issued with special restrictions or at increased premium if:

- A. the insured agrees in writing; and
- B. the policy would not be written otherwise.



**COMPANY PAGES FOR  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA**

**XII. EXTENDED REPORTING PERIOD COVERAGE (Claims Made Only)**

If this policy is cancelled or non-renewed and subject to the following provisions, an extension period, for the purpose of reporting a claim, will be provided automatically for 60 days, and may be extended beyond that as governed by the following rules:

- A. The limits of liability may not exceed those afforded under the terminating policy.
- B. Extended Reporting Period Coverage will be available to the named insured shown on the certificate of insurance.
- C. Should the named insured terminate coverage under this policy, and desire Extended Reporting Period Coverage beyond the automatic 60 days, notice must be given to the Company, along with payment of the applicable premium, within 60 days.
- D. Upon termination of coverage under this policy by reason of death, the deceased's unearned premium for this coverage will be waived and Extended Reporting Period Coverage will be granted for no additional charge.
- E. Upon termination of coverage under this policy by reason of disability or retirement by the named insured, Extended Reporting Period Coverage will be granted for no additional charge provided that, during the policy period:
  - 1. total and permanent disability occurs; or
  - 2. the named insured retires during the policy period and:
    - a. is 55 years of age or older and has been insured by this Company for at least 5 years of claims-made coverage; or
    - b. has been insured by us for at least 10 years of claims-made coverage.
- F. The prior acts date of coverage with this Company will determine the years of prior exposure for Extended Reporting Period Coverage.
- G. In the event the policy is canceled, any return premium due the named insured shall be credited toward the premium for Extended Reporting Period Coverage, if the named insured elects this coverage. If any premium is due for the period of time between the earlier of the policy's Prior Acts date or effective date and the termination date, any monies received by the Company from the named insured shall first be applied to the premium owing for the policy and then to the Extended Reporting Period Coverage.
- H. There is no right to any extended reported period coverage if this policy is cancelled for non- payment of premium, non-compliance with any of the terms and condition of this policy or for any misrepresentation or omission in the application for this policy.
- I. Extended Reporting Period Coverage will be granted with the following discounts, subject to the Extended Reporting Provisions of the Policy and the following schedule:

<b>Consecutive Years of Coverage with ACCO</b>	<b>Discount</b>
10	Free
9	90%
8	80%
7	70%
6	60%
5	50%
4	40%
3	30%
2	20%
1	10%



**COMPANY PAGES FOR  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA**

- J. The factors in the following table shall be applied to the mature claims-made rate in effect at the beginning of the current policy period:

Years of Prior Claims Made Coverage	Installment Factors Years			Prepaid Factors
	1	2	3	
1	.36	.34	.28	.92
2	.58	.55	.39	1.43
3	.67	.55	.59	1.70
4 or more	.84	.55	.59	1.87

**XIII. PRIOR ACTS COVERAGE (Occurrence only)**

The policy may be extended to provide prior acts coverage as follows:

- A. The prior acts period may not exceed the term immediately preceding coverage under this policy during which similar coverage was continuously provided under a claims made policy, nor shall limits of liability exceed those of the claims-made policy or the occurrence policy to which the prior acts endorsement shall be applied.
- B. The premium for Prior Acts Coverage is a one-time only charge payable in advance or over the first three policy years in annual installments, but calculated in advance by applying the applicable factors from the table below to the current rate under this policy for limits of \$1,000,000/6,000,000 per occurrence.
- C. If the limit of liability under this coverage is other than \$1M/6M per occurrence, the premium developed under B above shall be adjusted by the appropriate increased or decreased limits factor.
- D. The premium will be charged annually, but calculated in advance:
  - 1. Determine the current premium under this policy for limits of \$1M/6M per occurrence;
  - 2. Enter the factor for the appropriate Prior Acts Period;
  - 3. Apply factor (s) successively for the desired number of years of Prior Acts;
  - 4. Apply the appropriate Increased/Decreased Limits Factor.

Prior Acts Period	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	Prepaid Factors
1 year prior	.47	.28	.26	0.94
2 years prior	.70	.43	.40	1.42
3 years prior	.81	.44	.46	1.64
4+ years prior	.87	.53	.50	1.76

**XIV. PREMIUM PAYMENT PLAN**

The Company may, at its discretion, offer to the named insured various premium payment options, ranging from monthly to annual payment plans. Some of the premium payment plans may result in a service fee of \$5 per payment.



**COMPANY PAGES FOR  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA**

**XV. ISO CLASSIFICATION CODES**

<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>I</b>	<b>A</b> Occupational Therapists	80721
	Occupational Therapy Assistant	80721
	Certified Occupational Therapy Assistant	80721
	<b>B</b> Respiratory Care Provider	80717
	Respiratory Therapist	80717
	<b>C</b> Respiratory Therapist Technician/Technologist	80717
	Chiropractic Assistant	80411
	Optometric Technician/Assistant	80944
	Podiatric Assistant	80943
<hr/>		
<b>II</b>	<b>Description</b>	<b>ISO CODE</b>
	Art Therapist	80967
	Dance Therapist	80967
	Music Therapist	80967
	Recreation Therapist	80945
<hr/>		
<b>III</b>	<b>Class</b>	<b>ISO CODE</b>
	<b>A</b> LPN/LVN – Excludes Cosmetic Procedures	80963
	Registered Nurse – Excludes Cosmetic Procedures	80964
	<b>B</b> Dietician	80720
	Nutritionist	80720
	<b>C</b> Bio-medical Technician/Technologist	80719
	Blood Bank Technician/Technologist	80719
	Cardiology Technician/Technologist	80719
	Certified Lab Technician/Technologist	80711
	Certified Medical Assistant	80719
	Clinical Lab Technician/Technologist	80711
	Community Health Assistant	80719
	Community Health Technician/Technologist	80719
	Diagnostic Medical Sonographer	80719
	Dialysis Technician/Technologist	80719
	EEG Technician/Technologist	80719
	EKG Technician/Technologist	80719
	Electrologist	80719
	Histologic Technician/Technologist	80719
	Medical Assistant	80719
	Medical Laboratory Technician/Technologist	80711
	Medical Records Administrator	80711
	Medical Records Technician/Technologist	80719
	Medical Technician	80719
	Medical Technician/Technologist Assistant	80719
	Medical Technologist	80719



**COMPANY PAGES FOR  
HEALTHCARE PROVIDERS SERVICE ORGANIZATION  
AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA**

**XV. ISO CLASSIFICATION CODES (continued)**

<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>III C</b>	Mental Retardation Workers	80711
	Nuclear Medical Technician/Technologist	80719
	Phlebotomist	80719
	Radiation Therapist	80713
	Radiology Technician/Technologist	80719
	X-Ray Machine Operator	80713
	Other Level I Technician/Technologist	80711
<b>D</b>	Home Health Aide	80618
<b>E</b>	Clinical Nurse Specialist-No Prescriptive Authority	80965
<b>F</b>	Cardiopulmonary Technician	80711
	Clinical Radiography	80713
	Other Level II Technician/Technologist	80711
	Surgical Technician/Technologist	80129
<b>G</b>	Skin Care Specialist	80711
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>IV A</b>	Pharmacist	59112
	Pharmacy Technician	59112
	Pedorthist	80943
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>V</b>	Circulation Tech	80945
	Perfusionist	80945
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>VI A</b>	Massage Therapist	80718
	Enterostomal Therapist	80945
	Orthopedic Assistant	80943
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>VII A</b>	Athletic Trainer	80945
	Exercise Physiologist	80945
	Fitness Professional	80945
	Health Educator	80711
	Kinesiologist	80945
	Personal Trainer, Certified	80945
	Sports Medicine Instructor	80945
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>VIII A</b>	Paramedic	80723
	Basic / Intermediate Emergency Medical Technician	80723
	Volunteer Emergency Medical Technician	80723



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**XV. ISO CLASSIFICATION CODES (continued)**

<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>IX A</b>	Physical Therapist	80995
	Rehabilitation Therapist	80995
	Kinesiotherapist	80945
	Sports Medicine Therapist	80945
	Corrective Therapist	80945
<b>B</b>	Physical Therapist Assistant	80995
	Rehabilitation Assistant	80995
<hr/>		
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>X</b>	No specialties in this class	
<hr/>		
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>XI</b>	<b>Nurse Practitioners/Clinical Nurse Specialists</b>	
	<b>A</b> Adult / Geriatric / Family Planning / Gynecology / Women's Health / Adult Oncology /RN Including Cosmetic Procedures	80965
	<b>B</b> Psychiatric	80965
	<b>C</b> Pediatric / Neonatal / Family Practice / Acute Critical Care,	80965
	<b>D</b> Obstetrics / Gynecology / Perinatal / Acute Care Obstetrics / Cosmetic	80965
	<b>E</b> Nurse Practitioner and Nurse Anesthetist Student	80965
	<b>F</b> Clinical Nurse Specialist - Educator, Consultant, Administrator and Researcher	80965
	<b>G</b> Nurse Anesthetist	80960
<hr/>		
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>XII</b>	Audiologists	80716
	Speech Language Pathologist	80716
	Speech Hearing Therapist	80716
<hr/>		
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>XIII</b>	Dental Hygienists	80712
<hr/>		
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>XIV</b>	Dental Assistants	80712
	Laboratory Aide	80711
	Nurses Aide	80964
	Geriatric Nursing Assistant	80963
	Nursing Assistant	80963
	Physical Therapy Aide	80995
	Other Healthcare Aide (Excluding Home Health Aides)	80711
<hr/>		
<b>Class</b>	<b>Description</b>	<b>ISO CODE</b>
<b>XV</b>	<b>A</b> Social Worker Clinical	80723
	<b>B</b> Psychotherapist / Psychologist	80723
	<b>C</b> Alcohol/Drug Counselor	80723
	Case Manager	72990
	Clinical/Rehabilitation Counselor	80723
	Pastoral Counselor	80723
	School Counselor	80723
	<b>D</b> Marriage/Family Counselor	80723



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**XV. ISO CLASSIFICATION CODES (continued)**

<b>Class</b>		<b>Description</b>	<b>ISO CODE</b>
<b>XVI</b>	<b>A</b>	Physician Assistant Class 1	80116
		A PA who performs tasks ordinarily reserved for the Physician and who works under the direction and supervision of a licensed physician to assist the physician in the management of patients.	
	<b>B</b>	Physician Assistant Class 2	80116
		A PA who is involved in any of the following: Assisting in surgery (other than observation) Trauma/Emergency room procedures/responsibilities (10 hours or less per week) Prenatal or Postnatal care Assisting in anesthesiology	
	<b>C</b>	Physician Assistant Class 3	80116
		A PA who is involved in any of the following: Orthopedic surgery OB/GYN Surgery Cardiovascular Surgery Thoracic Surgery Trauma/Emergency Room – Greater than 10 hours/week OB including delivery room responsibilities Exposure to Cardiac Catheterization lab Cosmetic Procedures	
	<b>D</b>	Physician Assistant Student	80116
	<b>E</b>	Registered Radiologist Assistant	80116
<b>Class</b>		<b>Description</b>	<b>ISO Code</b>
<b>XVII</b>	<b>A</b>	Acupuncturist	80966
	<b>B</b>	Acupuncturist Student	80966



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**XVI. CALCULATION OF PREMIUM**

- A. The premium for the policy shall be the sum of the applicable charges developed below:
- B. If more than one classification is applicable, the higher rated classification will be used for rating.
- C. The annual occurrence form base rate for each Healthcare Provider is stated on the state rate page.
- D. The annual claims made form rate for each Healthcare Provider shall be determined for Classes I through XVI as follows:
  1. If the Healthcare Provider is just entering practice, or the Healthcare Provider has continuously been insured under an occurrence policy, enter the step rate factor from the table at the year one level.
  2. If the Healthcare Provider has been insured under a claims-made policy, for one or more years immediately preceding the effective date of this coverage, or for reasons acceptable to the Company had been uninsured, the following procedure shall apply:
    - a. determine the number of years in which the Healthcare Provider was covered under such claims-made policy (ies);
    - b. determine the number of years in which the Healthcare Provider was uninsured;
    - c. the sum of years developed in a. and b. shall be the base exposure. Fractional years of six months or more of base exposure shall be rounded to the next higher year; less than six months shall be rounded to the next lower year;
    - d. the sum of years developed in c. above shall be the Years of Prior Exposure. The table is entered at the total prior Years of Exposure, plus one.

The factors in the following table shall be applied to the full time Class I though XVII rate, found on the State Page:

	<b>Step Rate Factors</b>				
<b>Class</b>	Year 1	Year 2	Year 3	Year 4	Year 5
I through XVII	.32	.57	.77	.84	.99

**XVII. SCHEDULE RATING**

When applicable, apply the appropriate debit or credit based upon the following risk characteristics, subject to state specific limitations regarding on Schedule Rating:

	<u>CREDIT</u>	<u>DEBIT</u>
<i>Procedure Mix</i>	0 - 25%	0 - 25%
Applicable to insureds whose procedures or practice specialties are primarily concentrated in areas other than their practice classification and/or specialty.		
<i>Exposure Modification</i>	0 - 25%	0 - 25%
Applicable to those insureds who have an increased or reduced exposure.		
<i>Unusual Risk Characteristics</i>	0 - 25%	0 - 25%
<i>Continuing Education</i>	0 - 25%	0 - 25%
Applicable to insureds who are involved in a CNA approved continuing education program other than risk management programs.		



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**XVIII. RULES FOR INDIVIDUALS**

The following rules apply to eligible employed individuals and self-employed non incorporated individuals only:

**A. Coverage**

The following coverage will be provided:

1. Professional Liability including Good Samaritan Liability, Personal Injury Liability and Malplacement Liability on an occurrence or claims-made basis;
2. License Protection including wage loss, travel, food and lodging (up to \$500 per proceeding) and legal defense costs (up to \$150/hour);
3. Defendant Expense Benefit;
4. Deposition Representation;
5. Assault;
6. Medical Payments;
7. First Aid;
8. Damage to Property of Others;
9. Workplace Liability; and
10. Personal Liability.

**B.** The following are the base limits used for premium calculation. Availability of limits by specialty or state may be restricted by underwriting guidelines:

<b>Coverage</b>	<b>Limits of Liability</b>	
Professional Liability	\$ 1,000,000 each claim	\$ 6,000,000 aggregate
Good Samaritan Liability	\$ included in PL limit above	
Personal Injury Liability	\$ included in PL limit above	
Malplacement Liability	\$ included in PL limit above	
Sexual Misconduct	\$ Included in PL limit above subject to \$25,000 aggregate	
License Protection	\$	\$ 25,000 aggregate
Defendant Expense Benefit	\$ 1,000 per day limit	\$ 25,000 aggregate
Deposition Representation	\$	\$ 10,000 aggregate
Assault	\$	\$ 25,000 aggregate
Medical Payments	\$ 25,000 per person	\$ 100,000 aggregate
First Aid	\$	\$ 10,000 aggregate
Damage to Property of Others	\$	\$ 10,000 aggregate
Personal Liability	\$	\$ 1,000,000 aggregate
Information Privacy	\$	\$ 25,000 aggregate
Media Expense	\$	\$ 25,000 aggregate
Workplace Liability	\$ included in PL limit above	



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C. Supplemental Modifications – Individuals

At no time will the total credit under this section exceed 50% except for 1<sup>st</sup> year New Healthcare Providers as described in Item 1. below.

1. **New Healthcare Providers**

A new Healthcare Provider is defined as a Healthcare Provider who has completed the training in their specialty within the previous thirty-six (36) months, and who is applying for coverage as a non-incorporated individual. For such new providers, a credit will apply as follows:

Training completed:	Credit
up to 12 months	60%
13 to 24 months	40%
25 to 36 months	20%

- a. If application of the credit results in a rate which is less than:
  - i. the student rate approved on the state page; or
  - ii. another specialty for which the Healthcare Provider is covered,then the higher rate will apply without discount.
- b. This credit is not available if the policy is issued as claims made.

2. **Additional Insureds**

Where eligible, additional insured coverage may be added on a shared limit of liability basis. The rate will be 5% of the policy premium each, subject to a minimum premium of \$165 each. Such Additional Insured shall be covered for their vicarious liability only as their interest appears.

3. **Part Time**

Individual Healthcare Provider who works 24 or fewer hours per week may be eligible for a rate reduction of 50% subject to a minimum premium. Physician Assistants will be eligible for a rate reduction of 35% subject to a minimum premium.

- a. When part time rates result in a premium that is less than \$110, the part time base rate will be the lesser of either the individual's full time base rate or \$110.
- b. Part time rate is available to an employed individual who works 24 or fewer hours per week in a self-employed capacity for that individual's self-employed pursuits.
- c. ~~Individual nurse anesthetists, who are employed full time and performing their professional services in a non-employed capacity less than 1001 hours annually, may be eligible for moonlighting coverage for their employed activities at a reduced premium.~~

~~Individual nurse anesthetists who are self-employed and performing their professional services less than 1001 hours annually may be eligible for a reduced premium.~~

The credit would be applied as follows:

Up to 500 hours annually in a non-employed capacity	65% credit
Up to 1000 hours annually in a non-employed capacity	50% credit

- d. The part time rate reduction is not available for nurse practitioners and may be further restricted by underwriting guidelines.



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**4. Retirement/Leave**

An Individual Healthcare Provider who is not actively employed as a Healthcare Provider but maintains an active license may be eligible for restricted coverage at a rate reduction of 50%. The reduced rate may be applied retroactively to the first day of retirement/leave, on the condition that the Company is notified within ten (10) days of the retirement/leave. If the company is notified at a later date, the discount may be applied as of the date the Company received the notice. This credit will not apply to firms or self-employed incorporated individuals.

**5. Individual Risk Management Credit**

A credit of up to 10% will be applied to the annual premium applicable to an individual Healthcare Provider who:

- a. attends a CNA approved loss prevention seminar, workshop, or other loss prevention program. Such credit will be applied for a three year period; or
- b. provides evidence of CNA approved; association membership, or achievement of healthcare specialization certification, or attendance at course work during an association or healthcare specialty conference/meeting - each intended to promote enhanced risk management practice and patient safety. Such credit will be eligible for annual application.

**6. Consulting Services Liability**

Consulting Services Liability coverage may be added to the policy on a shared limit basis. The rate will be \$25. Consulting Services Liability provides Errors and Omissions coverage for non-medical incidents while performing Consulting, Educating or Training Services in the Healthcare Provider's area of specialization.

**7. Case Management Services Liability**

Case Management Services Liability coverage may be added to the policy on a shared limit basis. The rate will be \$25. Case Management Services Liability provides Errors and Omissions coverage for non-medical incidents while performing Case Management duties such as assessing and coordinating treatment options, managing a patient's total care to ensure optimum outcome or utilization review.

**8. Damage to Property of Others**

Optional Damage to Property of Others aggregate limit may be increased to \$25,000 for a charge of \$50.00.

**XIX. RULES FOR FIRMS**

The following rules are applicable to Firms. Firms include corporations, partnerships, organizations, sole proprietorship or self-employed incorporated individuals.

**A. Coverage**

The following coverage will be provided to Firms on a shared limit of liability basis:

1. Professional Liability including Good Samaritan Liability, Personal Injury Liability and Malplacement Liability on an occurrence or claims-made basis;
2. License Protection including wage loss, travel, food and lodging (up to \$500 per proceeding) and legal defense costs (up to \$150/hour);
3. Defendant Expense Benefit;
4. Deposition Representation;
5. Assault;
6. Medical Payments;
7. First Aid;
8. Damage to Property of Others



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**B. Limits of Liability**

The following are the base limits used for premium calculation. Availability of limits by specialty or state may be restricted by underwriting guidelines:

<b>Coverage</b>	<b>Limits of Liability</b>	
Professional Liability	\$ 1,000,000 each claim	\$ 6,000,000 aggregate
Good Samaritan Liability	\$ included in PL limit above	
Personal Injury Liability	\$ included in PL limit above	
Malplacement Liability	\$ included in PL limit above	
Sexual Misconduct	\$ Included in PL limit above subject to \$25,000 aggregate	
License Protection	\$	\$ 25,000 aggregate
Defendant Expense Benefit	\$ 1,000 per day limit	\$ 25,000 aggregate
Deposition Representation	\$	\$ 10,000 aggregate
Assault	\$	\$ 25,000 aggregate
Medical Payments	\$ 25,000 per person	\$ 100,000 aggregate
First Aid	\$	\$ 10,000 aggregate
Damage to Property of Others	\$	\$ 10,000 aggregate
Information Privacy		\$ 25,000 aggregate

*General Liability is available as an optional coverage.*

**C. Firm Rates & Policy Minimum**

1. The base rate for each healthcare professional will be the higher of the self-employed rate shown on the State Rate page or \$300 each.
2. The base rate for each aide, technician or assistant will be the higher of the self-employed rate shown on the State Rate page or \$200.
3. The base rate for home healthcare aide will be the self-employed rate shown on the State Rate Page for class III.D.
4. The following minimum premium per policy shall apply to all firms.

Nurse Practitioner Firms of 2 or more	\$2,500
Physical Therapy Firms of 15 or more	\$5,000
Staffing Firms of 6 or more headcount	\$2,500
Home Health Firms of 6 or more headcount	\$2,000
Firms with Sexual Misconduct Increased Sub-limits with 1 headcount	\$1,500
Firms with Sexual Misconduct Increased Sub-limits with headcount more than 1	\$2,500
All other Firms	\$500

**D. Full Time Equivalents (FTE)**

For calculating headcount, where applicable, full time equivalents may be utilized for Firms. Full time is defined as 40 hours a week. The total number of hours per week for each profession will be divided by 40 to determine the number of full time equivalents for that profession.

The full time equivalent rule is subject to minimum policy premium and minimum headcount to FTE ratios.



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**E. Supplemental Modifications - Firms**

**1. Size of Business**

A credit will be given based on the number of Healthcare Providers associated with the business. The following will be applied:

# of providers	Credit
2 - 9	2%
10 - 14	4%
15 or more	5%

**2. Business Loss Prevention Credit**

A credit of 5% will be applied to a firm who maintains a CNA approved loss prevention program, seminar or workshop for its employees. This credit will be applied for a one year period, and will be reviewed annually.

**3. Debits will be added based on the presence of the following:**

Category	Debit
Registry/Staffing	A surcharge of 25% of developed premium before debits/credits will be added to Firms that provide staffing to other facilities, firms or locations.
Background Check	A surcharge of 10% of developed premium before debits/credits will be added to Firms not performing background checks on their employees and independent contractors.
Nursing Home/Assisted Living/LTC	A surcharge of 25% of developed premium before debits/credits will be added to Firms that do more than 50% staffing of Nursing Home Facilities or Assisted Living Centers.
High Tech/Critical Care	A surcharge of 25% of developed premium before debits/credits will be added to Firms performing High Tech (i.e. Trach care, Ventilator care, Chemotherapy, etc.) or Critical Care.
High Exposure Class	A surcharge of 15% of developed premium before debits/credits will be added to Nursing Firms (Class III.A., III.E. & XI.) and Pharmacist Firms (Class IV.A.).

**4. Separate Limits**

Separate Limits are optional. When selected, the following debit structure is applied based upon the corresponding number of employees:

# of ratable employees	Debit
1	10.0%
2 - 9	12.0%
10 - 14	15.5%
15 or more	17.5%



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**5. Orientation Survey Credit**

Participation in the Risk Management Orientation program qualifies a policyholder for a premium credit in the first and second year:

<b>Risk Management Orientation</b>	<b>Credit</b>
Year 1	15%
Year 2	5%
Subsequent Years	0%

Insureds who have previously received premium credits under the Risk Management Orientation Program or Risk Management Programs are not eligible.

**F. General Liability**

1. Optional General Liability coverage may be purchased by self-employed incorporated individuals or firms with a \$1,000,000 aggregate limit. The annual rate is stated on the state rate page for the first facility based practice location.
2. When a firm has multiple practice locations, and requests General Liability coverage, a \$50 charge per additional practice location will apply.
3. When a firm provides home healthcare, staffing or fitness, the annual rate will be 25% of the developed Professional Liability rate, subject to \$150 per policy minimum.
4. Other limits are available and associated with the following factors (which are with respect to the \$1M/\$1M rate).

<b>Increased Limit</b>	<b>Increased Limit Factor</b>
\$1,000,000 / \$1,000,000	1.00
\$1,000,000 / \$2,000,000	1.13
\$1,000,000 / \$3,000,000	1.21
\$1,000,000 / \$4,000,000	1.28
\$1,000,000 / \$5,000,000	1.33
\$1,000,000 / \$6,000,000	1.37
\$1,000,000 / \$7,000,000	1.39
\$1,000,000 / \$8,000,000	1.40
\$2,000,000 / \$4,000,000	1.98
\$2,000,000 / \$5,000,000	2.00
\$2,000,000 / \$6,000,000	2.01
\$2,000,000 / \$7,000,000	2.02
\$2,000,000 / \$8,000,000	2.03



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**G. Deductibles**

When deductible options are requested or required, the following credits should be applied to the developed policy premium. When General Liability is offered, the same deductible amount must be provided for both Professional Liability and General Liability.

<b>Amount</b>	<b>Credit</b>
\$0	0%
\$1,000	1%
\$2,500	2.5%
\$5,000	5%
\$10,000	10%
\$15,000	11%
\$20,000	13%
\$25,000	15%

**H. Additional Insured**

Where eligible, additional insured coverage may be added to the policy on a shared limits of liability basis. The rate will be 5% of the policy premium each subject to a minimum premium of \$165 each. Such Additional Insured shall be covered for their vicarious liability only as their interest appears.

**I. Consulting Services Liability**

Consulting Services Liability coverage may be added to the policy on a shared limit basis. The rate will be \$25 for each Consultant. Consulting Services Liability provides Errors and Omissions coverage for non-medical incidents while performing Consulting, Educating or Training Services in the Firm's area of specialization.

**J. Case Management Services Liability**

Case Management Services Liability coverage may be added to the policy on a shared limit basis. The rate will be \$25 for each Case Manager. Case Management Services Liability provides Errors and Omissions coverage for non-medical incidents while performing Case Management duties such as assessing and coordinating treatment options, developing treatment plans or managing a patient's total care.

**K. Medical Director or Administrator Liability**

Medical Director or Administrator coverage may be added to the policy on a Sub-limit basis. The Limit of Liability for this coverage: \$100,000 Each Claim / \$300,000 Aggregate is a sub-limit of the Professional Liability Limit shown on the Certificate of Insurance. The rate for each Medical Director or Administrator will be \$500 or 10% of the base premium, whichever is higher. The Medical Director or Administrator Liability endorsement extends Professional Liability coverage to include Administrative Services provided by a Physician or other Administrator.

**L. Damage to Property of Others**

Optional Damage to Property of Others aggregate limit may be increased to \$25,000 for a charge of \$50.00.



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**M. Media Expense Coverage**

Optional coverage for Medial Expense is available as follows:

<b>Maximum Aggregate Limit of Liability</b>	<b>Premium</b>
\$25,000	\$25
\$50,000	\$100
\$100,000	\$250

**N. Employment Practices Liability – Defense Only**

Optional coverage for EPL Defense Only is available as follows:

<b>Maximum Aggregate Limit of Liability</b>	<b>Premium</b>
\$25,000	\$75

**O. Employment Practices Liability – Indemnity & Defense**

Optional coverage for EPLI is available as follows:

<b>Limit</b>	<b>Solo Firms</b>	<b>2-9 Headcount</b>	<b>10-14 Headcount</b>	<b>15 Headcount</b>	<b>Rate Per Headcount Above 15</b>
\$25,000	\$93	\$192	\$277	\$309	\$16
\$50,000	\$104	\$216	\$312	\$348	\$18
\$75,000	\$117	\$242	\$350	\$390	\$20
\$100,000	\$136	\$281	\$406	\$453	\$23
\$250,000	\$188	\$389	\$562	\$626	\$32
\$500,000	\$222	\$460	\$665	\$741	\$38
\$750,000	\$236	\$488	\$705	\$786	\$40
\$1,000,000	\$249	\$515	\$745	\$830	\$42

**P. Employment Practices Liability – Extended Reporting Period**

Available as follows:

A 0.75 factor will be applied to the EPL rate

**Q. Sexual Misconduct Increased Sub-limits**

<b>Sexual Misconduct Sub-Limit</b>	<b>Endorsement Premium</b>
\$100/\$300K	\$100
\$250/\$750K	\$250
\$500/\$500K	\$500
\$1M/\$1M	\$1,000



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**XX. RULES FOR SCHOOL BLANKET**

The following rules are applicable to the School Blanket Policy for Healthcare Provider Students  
**ISO Code: 80998.**

**A. Coverage**

The following coverage will be provided to School Blanket on a shared limit of liability basis:

1. **Professional Liability** coverage for damages as a result of a claim arising out of a medical incident or personal injury out of the supplying of, or failure to supply services by a student or faculty and advisor of the named insured school; including vicarious liability for the school; includes **Personal Injury Liability**.
2. Grievance Proceedings
3. Defendant Expense Benefit
4. Deposition Representation
5. Assault
6. Medical Payments
7. First Aid
8. Damage to Property of Others

**B. Limits of Liability**

The following are the base limits used for premium calculation. Availability of limits by specialty or state may be restricted by underwriting guidelines:

Coverage	Limits of Liability		
Professional Liability	\$ 1,000,000	each claim	\$ 5,000,000 aggregate
Personal Injury Liability	\$ included in PL limit above		
Grievance Proceedings	\$ 1,000	per proceeding	\$ 10,000 aggregate
Defendant Expense Benefit	\$		\$ 10,000 aggregate
Deposition Representation	\$ 1,000	per incident	\$ 5,000 aggregate
Assault	\$ 1,000	per incident	\$ 25,000 aggregate
Medical Payments	\$ 2,000	per person	\$ 100,000 aggregate
First Aid	\$ 500	per incident	\$ 25,000 aggregate
Damage to Property of Others	\$ 250	per incident	\$ 10,000 aggregate

**C. School Rates & Policy Minimum**

1. Calculations will be made based on the estimated number of students (total annual headcount) in each of the covered curricula at the inception of the policy period.
2. Premium will be collected or returned for additions or deletions if the change modifies the student count by 25% or more when the change occurs during the first six months of the policy term. If the change occurs in the second half of the policy term, the policy will be reconciled at renewal.
3. A \$300 minimum annual premium shall apply to each School Blanket policy.



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**D. Supplemental Modifications – School Blanket**

Modifications developed under the following shall be summed and applied as a single factor, subject to a maximum credit of 25%. Such credits shall apply on a one year basis, and will be subject to annual review.

**1. Claim-Free Credit**

A 10% credit applies if there have been no claims reported to the Company during the past three policy periods and the Company has provided coverage during each of those policy periods.

**2. Longevity Credit**

At the inception of a fourth consecutive policy period, a 5% credit will be granted to a school that has been insured in this program for the three preceding years.

**3. Size of School Modification**

The following credits will be applied based on the number of students covered on the policy:

<b>Number of Students</b>	<b>Credit</b>
500 – 1,000	5%
1,001- 2,499	10%
2,500+	15%

**E. Additional Insured**

Additional insured requests for a landlord, government organization, charity or religious organization may be added to the policy on a shared limit of liability basis for no additional charge. Such additional insured shall be covered for their vicarious liability only as their interest appears.

**F. General Liability**

- a. Optional General Liability coverage may be purchased with a \$1,000,000 aggregate limit.
- b. The annual rate will be 25% of the developed Professional Liability rate, subject to \$150 per policy minimum.
- c. Other limits are available and associated with the following factors (which are with respect to the \$1M/\$1M rate).

<b>Increased Limit</b>	<b>Increased Limit Factor</b>
\$1,000,000 / \$1,000,000	1.00
\$1,000,000 / \$2,000,000	1.13
\$1,000,000 / \$3,000,000	1.21
\$2,000,000 / \$4,000,000	1.98



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**I. STATE ENDORSEMENTS**

A.	Professional Liability		
	State Provisions	G-123846-C08	Mandatory on all policies
B.	Student Blanket		
	State Provisions	G-144931-A08	Mandatory on all policies

**II. AMENDED RULES**

Reserved for future use.



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**III. RATES**

A. All rates indicated below are for Professional Liability limits of \$1,000,000 each claim, with a \$6,000,000 annual aggregate.

CLASS		EMPLOYED		SELF-EMPLOYED	
I	A	77		242	
	B	102		343	
	C	72		286	
II		102		343	
III	A	106		380	
	B	102		286	
	C	72		200	
	D	102		110	
	E	106		380	
	F	106		380	
	G	106		380	
IV	A	150		429	
	B	93		182	
	C	115		323	
V		172		343	
VI	A	172		200	
	B	200		343	
VII	A	229		978	
	B	172		200	
VIII	A	183		263	
	B	166		239	
	C	86		86	
IX	A	164		514	
	B	83		234	
X		N/A		N/A	
XI	A	1,089	1,252	1,573	1,809
	B	1,536	1,766	2,225	2,559
	C	1,989	2,287	2,874	3,305
	D	2,816	3,238	3,529	4,058
	E		325		N/A
	F		777		1,233
	G		4,232		6,316
XII		90		154	
XIII		68		286	
XIV		56		200	
XV	A	138		330	
	B	495		1,045	
	C	138		363	
	D	138		363	
XVI	A	4,530	4,983	4,530	4,983
	B	5,663	6,229	5,663	6,229
	C	6,795	7,475	6,795	7,475
	D		161		N/A
	E		4,530		4,530
XVII	A	804		804	
	B	156		N/A	



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- B. **Student Rates**  
The minimum rate for an individual healthcare student is \$35, except where otherwise specified in class rate schedule III. A.
- C. **General Liability**  
Base General Liability limits of \$1,000,000 for each claim, with a \$1,000,000 annual aggregate may be purchased for \$150 minimum base rate subject to the provisions of rule XIX. F.
- D. **Student Blanket**  
The rate is \$13 per student for all specialties at \$1,000,000/\$5,000,000 limit of liability.
- E. A 30% firm debit may apply.
- F. **Enterprise Privacy Protection**  
Optional coverage for Enterprise Privacy Protection is available as follows:

<b>Maximum Aggregate Limit of Liability</b>	<b>Premium</b>
\$25,000	\$100
\$50,000	\$300
\$100,000	\$600

Each coverage includes:

- Privacy Injury Coverage
- Privacy Regulation Proceeding
- Privacy Event Expense